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20 January 1986

SOUTHEAST ASIA REPORT

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BURMA

PEOPLE'S ASSEMBLY HOLDS EMERGENCY SESSION

BK231433 Rangoon Domestic Service in Burmese 1330 GMT 23 Dec 85

[Excerpt] The emergency session of the Fourth People's Assembly of the Socialist Republic of the Union of Burma opened at 1000 today in the People's Assembly Conference Hall in Rangoon. Present were 482 People's Assembly representatives headed by U Aye Ko, vice president and State Council vice chairman.

Today's session was chaired by U Lanan Bawk, People's Assembly representative of Kachin State's Machanbaw constituency, while Comrade Aung Khin Tint officiated as secretary of the meeting.

The meeting secretary first announced that of the 489 eligible assembly representatives, 482 were present, constituting 98.57 percent attendance. He then declared the validity of the meeting and announced it open. As the meeting progressed, the presiding chairman sought and was given the approval of the agenda for the meeting.

Later, State Council Secretary U Sein Lwin presented the State Council's report to the assembly. Next, he reported matters relating to the orders which amended the Law on Demonetization of the 100 kyat, 50 kyat, and 20 kyat notes--Law No 14, 1985 of the People's Assembly--and the 1985 State Council proclamations Nos 1 and 2 which have the same force as law, all of which were to be approved by the People's Assembly in accordance with Article 74 of the State Constitution.

Later, U Kyaw Nyunt, representative from Mandalay Division's Mahlaing-1 constituency, seconded the reports, and as the assembly accepted them for discussion, the presiding chairman announced that the discussions would be held after a brief recess. The meeting was then recessed.

When the meeting resumed, the State Council's report was approved by the assembly and it was then put on record.

Three assembly representatives later discussed the orders which amended the Law on Demonetization of the 100 kyat, 50 kyat, and 20 kyat notes--Law No 14, 1985 of the People's Assembly--and the 1985 State Council proclamation No 1 which has the same force as law. Three more representatives discussed proclamation No 2.

The meeting was again recessed after an announcement by the chairman that the State Council would reply to the questions raised in the afternoon session.

When the meeting resumed, the chairman, on behalf of the State Council, reported that since the discussions by the assembly representatives were in support of the State Council orders and proclamations, the State Council had nothing further to report.

The chairman then asked the assembly to approve State Council Proclamations Nos 1 and 2 in accordance with Article 74 of the State Constitution.

Later, the assembly representatives, using the electronic ballot system, cast their votes, and as both the proclamations received more than the minimum required 367 votes, the chairman announced the decisions.

The members of the Panel of Chairmen then signed the resolutions passed at the emergency session of the Fourth People's Assembly, and the meeting ended at 1345.

/6662
CSO: 4211/19

BURMA

SOVIET VETERANS DELEGATION VISITS RANGOON

BK261153 Rangoon Domestic Service in Burmese 1330 GMT 25 Dec 85

[Text] U Myint Maung, chairman of the Burma War Veterans Organization Central Executive Committee, at 0930 today received the visiting Soviet veterans delegation headed by Professor (V. Y. Petrenko), retired lieutenant general and member of the Soviet Committee of War Veterans [SCVV]. Members of the delegation are Mr (V. G. Kostikov), a retired naval captain who is a section head in the CPSU's International Department, and Mr (V. G. Kovalev), an official of the SCVV. Also present at the meeting were U Ohn Kyi, vice chairman of the Burma War Veterans Organization Central Executive Committee; U Tun Tin, chief auditor; U Han Thein, secretary; Mr Sergey Pavlovich Pavlov, Soviet ambassador to Burma; and Colonel (Kabanov), Soviet military attache. At 1400, the Soviet veterans delegation visited the Burma War Veterans Organization headquarters at University Avenue and held talks with the Burmese side headed by U Ohn Kyi. Present at the meeting were U Han Thein, Central Executive Committee secretary; U Saw Godwiller, treasurer; U Pau Khan Thang and U Peter Lazun Gawng, Central Executive Committee members; and U Maung Maung Khin, member of the Central Audit Committee. At 1900, U Myint Maung held a banquet for the visitors at the Karawein Hall's Shwesasaung room. The Soviet delegation arrived in Rangoon by air on 24 December.

/6662
CSO: 4211/19

BURMA

ANNOUNCEMENT ON REPAYMENT OF DEMONETIZED NOTES

BK310746 Rangoon Domestic Service in Burmese 0630 GMT 31 Dec 85

[**"Proclamation of the Central Body for the Scrutinization and Reimbursement of Deposited Demonetized Currency Notes of the Socialist Republic of the Union of Burma--dated 28 December 1985"**]

[Text] 1. On behalf of the Central Supervisory Body for the Acquisition of Demonetized Notes, banks accepted the demonetized 100-kyat, 50-kyat, and 20-kyat notes between 11 and 15 November and 18 and 30 November from the people and from organizations.

2. After exchanging the demonetized notes with legal tender, the amount remaining to be reimbursed was kept in the bank reserves in accordance with law.

3. Arrangements have now been made so that banks, on behalf of the Central Body for the Scrutinization and Reimbursement of Deposited Demonetized Currency Notes, can reimburse the balance in legal tender to the people and organizations in accordance with legal provisions. The reimbursement will begin from Wednesday, 1 January 1986, and between 0900 and 1500 on bank working days.

4. In reimbursing the balance in legal tender, the first batch to receive repayment will be families and organizations that have deposited up to 1,000 kyat. An announcement concerning others who deposited more than 1,000 kyat will be forthcoming.

5. The reimbursements will be made at banks at which the demonetized notes were deposited. The State and Division People's Councils, through the township people's councils, will announce to the public the locations of these banks.

6. When receiving reimbursements, depositors must produce the original copy of the deposit slip, and the national registration card or the foreigner registration cards shown at the time when the deposit was made.

7. If the receiver is the same person who signed the demonetized notes at the time when the deposit was made, he shall produce either his national registration card or the foreigner registration card. If the receiver is not the same person as the one who signed the demonetized notes when the deposit was made, he shall produce his own national registration card or the foreigner registration card together with the identity card belonging to the person who endorsed the deposited notes.

8. Reimbursements will only be made when the abovementioned conditions are fully met; that is, the original deposit slip and the national registration card or the foreigner registration card must be produced.

/6662
CSO: 4211/19

INDONESIA

NEWSPAPER PAGE LIMIT RAISED FROM 12 TO 16

BKO30637 Jakarta THE JAKARTA POST in English 27 Dec 85 p 1

[Text] Jakarta (JP) -- The government has given the green light to Indonesian newspapers to increase their page number from the current maximum of 12 to 16.

Information Minister Harmoko told reporters after a meeting with President Suharto at the Cendana residence Thursday that there was no longer any reason to limit newspaper pages to twelve.

It's no problem any more for the government because there is already enough available newsprint," he said.

Indonesia became self-sufficient in newsprint with the opening this year of two paper factories in Probolinggo, East Java, and Bogor in West Java. Both plants produce a total of about 160,000 tons of newsprint a year, more than enough to meet newspaper requirements.

Officials say Indonesian newspapers consume only about 132,000 [metric -- FBIS] tons of newsprint annually, leaving a production surplus of 28,000 [vtoric -- FBIS] tons for export.

Harmoko said it was up to the Indonesian Press Council to decide whether to lift a self-imposed restriction on the number of pages allowed a newspaper.

The council imposed the restriction after smaller newspapers complained of unequal competition from the big league publishers. They charged the large-circulation newspapers -- with unlimited pages -- were robbing them of their share of commercial advertising.

Two months ago the council announced it was considering lifting the restriction because of general improvements in the newspaper industry.

The minister said a decision will be taken as soon as the council reached a consensus on the issue.

Harmoko met Suharto Thursday to report on his planned departure for a conference of information ministers of non-aligned nations in Dakar, Senegal, on Jan 9-15.

/12929
CSO: 4200/482

MALAYSIA

CERAMAH BAN LIFTED

Kuala Lumpur NEW STRAITS TIMES in English 18 Dec 85 p 1

[Article by Khairuddin Hassan]

[Text] Sungai Petani, Tues.--The ban on political gatherings in six States in the East Coast and northern Peninsular Malaysia, imposed after the Kampung Memali incident, has been lifted.

Announcing this today, Deputy Prime Minister Datuk Musa Hitam said the decision was made after an evaluation of the situation in the States concerned.

The ban was imposed in Kedah, Perlis, Terengganu, Kelantan and north Perak on Nov 10 and in Penang two days later following the Nov 19 Kampung Memali incident in which 18 people, including four policemen, were killed.

Speaking to reporters after visiting the 4th Battalion Police Field Force (PFF) base, Datuk Musa, who is also Home Affairs Minister, reminded those involved in political gatherings to act responsibly and to be mindful of the implications of their speeches.

"This is important in view of the many rumours being spread by certain quarters pertaining to the Kampung Memali incident."

Patience, Restraint

The Deputy Prime Minister did not elaborate on the rumours, but said the Home Affairs Ministry was monitoring the situation very closely.

The Government was also investigating the spreading of rumours by certain quarters and the results would be made known through specific channels at the appropriate time.

On the 6pm to 5am curfew in Baling, Datuk Musa said he would leave it to the local authorities to decide whether or not to lift it.

He also declined to give details on the detention of Ramli Che Mid, 38, a close aide of Ibrahim Libya, one of the men whom police had gone in search of on Nov 19.

Datuk Musa would only say that Ramli was being detained in the course of normal follow-up operations.

He also refused to comment on the fate of the 152 people detained at the PFF base following the incident.

Datuk Musa, who was accompanied on the visit by the Director of Internal Security and Public Order, Datuk Yahya Yeop Ishak, and State Executive Councillor Datuk Zainol Abidin Johari, said his tour of the base was to show the Government's appreciation to the PFF officers and men who took part in the Kampung Memali operation.

He said they had shown patience and restraint during the operation.

The Deputy Prime Minister also performed zohor prayers with about 500 PFF officers and men at the base's surau and later joined them for lunch.

Before leaving for Penang he also gave them a special briefing on the Kampung Memali incident and the Government's follow-up action.

This morning, the Deputy Prime Minister had an audience with the Sultan of Kedah at Istana Anak Bukit, Alor Star, during which he briefed the Ruler on the incident.

CSO: 4200/502

MALAYSIA

BOOKS ON BALING CLASH BANNED

Kuala Lumpur NEW STRAITS TIMES in English 10 Dec 85 p 2

[Text] Johore Baru, Mon.--The Government will ban all publication, sale and possession of books on last month's Baling incident, Deputy Home Minister Datuk Radzi Sheikh Ahmad said.

He said the Government considered the incident a sensitive issue and did not want the public to be influenced or confused by the allegations of Opposition parties who wanted to make political capital out of it.

Datuk Radzi said that so far the Home Ministry had yet to receive any information on any sale to the public of books on the incident in which 18 people, including four policemen, were killed in Kampung Memali in Baling.

He was speaking at a ceramah on Politics, Dadah and Internal Security organised jointly by the Senai Umno Youth division and the Kulai district information department at Gunung Pulai, 98km from here, yesterday.

The Government had banned 60 book titles including Peristiwa Berdarah di Kampung Merbau this year, he added.

Fine

Datuk Radzi said those found in possession of banned books were liable to a fine of \$3,000 and those found selling them could be jailed for up to three years.

At a ceramah with Sri Gading Umno division members near Batu Pahat yesterday, Datuk Radzi reminded the people in the northern States not to be influenced by pamphlets being circulated by irresponsible quarters about the Baling incident.

The pamphlets criticising the police and accusing the authorities of cruelty were being circulated to worsen the situation and should be ignored, he added.

The Deputy Home Minister also said that since Independence, 1.2 million foreigners had been granted citizenship.

He warned that those whose loyalty were in doubt or who had migrated to other countries would have their citizenship revoked.

Addicts

"We do not want people with dual citizenships and divided loyalty."

Datuk Radzi said the Ministry had detected and confirmed that there were 108,000 dadah addicts in this country and 72 per cent of them were Malays.

Statistics with the Ministry also revealed that 70 per cent of the 108,000 addicts were below 29 years old, he added.

He said, however, that the figure represented only those detected by the Government and that the actual estimated number of addicts in this country was half a million.

Datuk Radzi said since the enforcement of the Dangerous Drugs (Special Preventive Measures) Act 1985 last June, 23 people had been detained. Three of these had been given the death sentence while 20 others were under investigation.

Between January and November this year, 466 people had been detained for various dadah offences compared with 462 last year.--Bernama

CSO: 4200/502

MALAYSIA

GOVERNMENT TAKING STEPS TO CURE RECESSION

Kuala Lumpur BUSINESS TIMES in English 7 Dec 85 p 1

[Text] The government is carrying out four short-term measures to overcome the current economic recession, Deputy Prime Minister Datuk Musa Hitam said.

Apart from the construction of 80,000 low-cost houses a year which he announced last week, the measures are:

- asking the people to plant food crops on an intensive basis;
- using cement in road construction; and
- reducing the number of students sent overseas.

The shelving of luxury projects is part of the long-term strategy but he explained that any such project found to be of benefit to society will still be carried out.

Datuk Musa made the comments at a meeting with about 400 Malaysian students from seven universities in the United States.

The meeting, organised by the Los Angeles Malaysian Students Department (MSD) was held on Thursday at Northrop University in Los Angeles.

Datuk Musa is there to attend a conference on Transitions of the Pacific Rim: Leadership for the Next 20 years.

According to a statement from the Deputy Prime Minister's office in Kuala Lumpur yesterday, Datuk Musa, in briefing the students on the current situation in Malaysia, also touched on political, economic, educational and other matters relevant to them.

He said Malaysia is affected by the world economic recession but stressed that the country's economic growth is still good compared with other developing countries.

In finding ways and means of overcoming the economic problem, the government has sought the views of experts and studied various suggestions, selecting the best options for both long and short term programmes.

Datuk Musa is confident success in getting the people to plant food crops on 40,000 hectares of land will increase national economic growth by one per cent.

The low-cost housing programme, with extension of the loan repayment period to 25 years from the current 15 years, is expected to boost economic growth by two per cent.

The Deputy Prime Minister said that in line with efforts to cut down on the number of students sent overseas, the government will set up more universities and colleges.--Bernama

CSO: 4200/503

MALAYSIA

BANK SEES 1985 GROWTH

Kuala Lumpur BUSINESS TIMES in English 18 Dec 85 pp 1, 22

[Article by P. Gunasegaram]

[Text] Although economic performance in the second quarter of this year appears dismal compared with the first quarter, Bank Negara Malaysia is nonetheless optimistic that economic growth for the full year will be sustained at five per cent.

This is just 0.2 per cent below the 5.2 per cent growth anticipated in the Treasury's economic report released in October.

Bank Negara said in its just-released report for the second quarter that the more buoyant world economy since the second quarter should result in a moderate activity in the second half.

"For 1985 as a whole, current indicators suggest that growth in the Malaysian economy can be sustained at about five per cent," the central bank said.

It added that the 100 firms covered by Bank Negara in its survey of industrial trends for the second quarter forecast a moderate recovery in their production in the latter half of 1985.

Bank Negara said that the expectations concurred with those of the firms surveyed by the Department of Statistics in its business expectations survey for the second half of 1985 and by the Malaysian Industrial Development Authority in its recent industrial trends survey.

The second quarter performance was far from heartening. According to Bank Negara, economic growth "slackened somewhat" in the second quarter after achieving a rapid growth of an annualised 5.5-6 per cent in the first quarter.

However, the report did not say what was the growth achieved in the April to June period. It is understood that the figures are still being finalised and indications are that growth would be nowhere near that achieved in the first quarter.

Bank Negara attributed the slowdown in the second quarter to lower commodity prices and a decline in exports at an annual rate of 1.2 per cent (up 11.8 per cent in the preceding quarter), the first decline since the early months of 1982. It added that the decline in exports reflected mainly lower earnings from rubber, crude petroleum, palm oil and electronic components.

"At the same time, domestic demand remained subdued with the slowdown in private spending and continuing consolidation of the public sector. Private sector spending was restrained by low commodity prices as well as the expenditure curb by the government," the central bank said.

The performance of the major sectors slackened during the second quarter with the growth in value in the agriculture and forestry sectors moderating to an annualised 0.2 per cent (7.7 per cent in the previous quarter) due mainly to the decline in palm oil output.

Reflecting lower production of oil and tin due to declining prices and output constraints, value added in the mining sector declined at an annual rate of 6.9 per cent (down 2.2 per cent in the first quarter). Output in the manufacturing sector declined at an annual rate of 7.8 per cent, as against an increase of 3.5 per cent in the previous quarter, with the slackening demand overseas and locally.

Except for wood and wood products, where production rose at an annual rate of 26.5 per cent, all export-oriented industries recorded lower output. Output by the electronics components and parts industry declined by an annual 27.4 per cent, off-estate processing industry by 15.6 per cent, tobacco products by 7.3 per cent, petroleum products by 5.9 per cent, and construction and related products by 18.3 per cent.

Bank Negara said there was a decline in exports in the quarter reviewed due to sluggish world demand and a global excess supply of many commodities.

Lower earnings from rubber, crude petroleum, palm oil and electronic components were recorded which offset increased exports of tin, liquified natural gas, saw logs, sawn timber and manufactured goods.

However, Bank Negara said that despite declining exports, the trade account improved to register a larger surplus of \$1,813 million in the second quarter (\$1,657 million in the first quarter) due to a sharper fall in imports.

Reflecting slack domestic economic activity, gross imports declined at an annual rate of 6.9 per cent (up to 4.8 per cent in the first quarter), the first decline was particularly evident in the case of investment goods.

Imports of investment goods (excluding ships and aircraft) declined by an annual 18.9 per cent (down 6.2 per cent), reflecting lower offtake of all major categories of investment goods, except for agricultural machinery, telecommunications apparatus and office equipment.

CSO: 4200/503

MALAYSIA

CHANGES ON LABOR SCENE EXAMINED

Kuala Lumpur NEW STRAITS TIMES in English 6 Dec 85 p 16

[Article by Shaik Osman Majid]

[Text] A disturbing trend is slowly but clearly emerging on the labour scene. More and new champions of workers, especially those in the estates, are surfacing, all sounding the clarion of exploitation, all arousing hopes of utopian benefits but in the event leaving a trail of disillusionment and, more importantly, making a mockery of the existing system of industrial relations.

These conscience-keepers get their publicity; the workers, the sack.

Inquiries show that these outside elements, clothed in political, social and even religious garbs, have ignited the fuse of discontent in a series of labour unrest in estates over the past year.

The most recent eruption is the current Batu Arang tamasha of "43 families", waging what is patently an illegal strike that has now entered the third month.

Consider the following sequence of developments. May 1985. Sungai Prah Estate, Ipoh. The rubber estate changed hands with the new owner determined to develop the property into a housing estate. The change in nature of business of course entailed a retrenchment exercise.

To its credit the much-maligned National Union of Plantation Workers hammered out with the new owners an agreement that provided more substantive benefits than what the Industrial Relations Act spells out in the Retrenchment and Lay-off Benefits regulations.

In addition to the minimum retrenchment benefits, there was also the gratis payment of \$250 for each year of service. More, the workers would have priority in allocation of low-cost units. The package was indeed solid. The agreement only waited the signature of the parties concerned. Which 37 of the 47 workers did.

Enter the politicians. Officials from the local branches of both the DAP and MIC went tub-thumping and worked up hopes in many workers that the new owner

could be "persuaded" to cough out \$1,000 for each year of service. Such a carrot enticed 10 workers who subsequently did not accept the NUPW arrangement.

The deadline for acceptance came and went. The management then withdrew the offer. The better deal assured by the politicians did not materialise. The lot of the 10 workers remains to be adjudicated by the Industrial Court. Thanks to political interference what was freely offered earlier is now being pleaded for.

A second illustration took place late last year when a female tapper was pulled up for latex adulteration by the management of Sungai Chunoh Estate, Trolak.

After an inquiry the tapper was redesignated as a weeder. But the tapper perceived the reclassification as a demotion and therefore refused to turn up for work.

The management, scrupulously adhering to the regulations, waited for two days before issuing the dismissal notice, citing breach of Section 15 (a) of the Employment Act which says that workers would be deemed to have breached contract of service if they are absent from work for two consecutive days without due reasons.

Again the NUPW used the existing industrial relations machinery and conciliated with the management to effect a reinstatement for the dismissed tapper.

The terms of the reinstatement included even a payment of \$100 for the days the tapper was absent without official leave. The only restraining condition was that she was required to report as a weeder first for four days before resuming her tapping duties.

But the local MIC branch officials picked up the cudgels. This time, they waged the campaign on the currently fashionable platform of "constructive dismissal".

As the campaign gathered momentum, the management reneged on their agreement with the union to reinstate the tapper and promptly reissued the dismissal notice.

The local MIC branch, true to its word, appealed to the Ministry which replied that the management had an air-tight case for dismissal. So once again political interference only exacerbated management. The consequence, this time, was that one female worker lost her only means of livelihood.

Social groups too have created problems. In a Raub oil mill recently, an activist representing a vocal social awareness group prodded the workers to ventilate their grievances through a show of strength.

Against the advice of the NUPW, 10 workers staged a strike without going through the various procedural stages of taking a ballot and informing the management and the Registrar of Trade Unions.

The illegal strike went on for two days, sufficient to elicit the dismissal notice from the management. Only the intercession of the union averted loss of jobs that provocation by other elements almost resulted in.

And the list goes on. The most vivid illustration is the on-going "illegal" strike in Batu Arang.

Different parties involved have presented differing versions of the grievances of the workers. Underdue emphasis has been placed on irrelevant issues like the cut in water supply.

Inquiries with various sources reveal a tale of avarice that was exploited by a whole phalanx of special interest groups. It also throws up two basic issues that all, including the special interest groups, should be rethinking on soberly.

The dilapidated quarters that form the centre piece of the whole tamasha is actually the property of the now defunct coal mining company. When the company wound up operations the entire land and properties which included the clusters of quarters for the mining company's workers reverted to the State Government.

The State Government, as a gesture of goodwill, allowed the residual group of workers, who did not leave Rawang when they lost the jobs with the mining company, to remain in the quarters. Later, for a token sum the quarters were sold to this group.

Meanwhile, the State Government leased about seven acres with 48 quarters to the Bukit Tinggi Estate which then housed tappers working on the Batu Arang division. But not all were employees of the estate. Only three, employed in non-tapping work like rubbish collection, were.

The rest, mostly women, were in fact employees of three contractors who provided all the 246-strong rubber tapping force for the Batu Arang division. And as contract labour, the 40 workers were not given the benefits, like EPF, Socso and even overtime pay, enjoyed by workers directly employed by the estate.

So the provision of quarters is actually a munificence from the estate. It is not obliged to provide the quarters which should explain why little effort and no money was spent on renovations to buildings the estate did not own.

The other consequences of contract labour, however, were slowly resolved by the NUPW that organised a branch in the division in October 1983. It realised that contract labour is a major issue that can only be rooted out through legislation, not through agitation.

Nevertheless, the union, quietly through negotiations with the management, obtained for the contract workers benefits reserved for directly employed workers.

Indeed, it was through the efforts of the union that the estate finally built regular two-bedroomed quarters for workers on its own land within the Batu Arang division.

Last July when the first cluster of quarters was ready the estate management asked 29 families to move into the estate. Nine families took up the offer. The remaining 20 refused, citing a clutch of reasons, ranging from lack of electricity to disruption of work due to the distance they would have to travel to Rawang for supplementary income.

Two months later the management again asked the remaining 34 families to move into the new quarters and vacate the dilapidated units by the end of September. Again the families refused.

This time around they waxed eloquent about the loss of the creche and the dismissal of the amah engaged by the estate to nurse the children who, they moaned, would now be abandoned while they were at work.

In reality the management had only moved the creche as well as the amah into the new quarters in the estate. But this fact was not publicised. Instead the workers sang the song of exploitation, mouthing half-truths like the allegation that new quarters did not have electricity. Which was true then but omitted were the facts that there were plans to have the connections made later in the year and that the old coal mine quarters did not have electricity.

What then were the motivations for these half-truths by a group of illiterate workers? Verification of motives is always a Herculean task and it is equally true in this case. But sources point to several indicators.

A source well-versed in the developments says: "Since the middle of the year various groups including missionary delegations have visited the workers, pointing out the inhumanity of their condition. Giving them food and sometimes cash, they have urged the families to stand up for their rights."

The families were alerted to the fact that the former mining company workers had been given ownership of the quarters. Does it not follow therefore that the rubber tappers who have been staying there equally long should also be given the quarters?

The desire to own the old quarters then is the fodder that the outside elements used to ignite the labour unrest. Further indications lie in the fact that overnight a literate action committee representing the remaining 34 families emerged on Oct. 1 to issue well-drafted notices on their trumped up grievances to all, including the Press. On the same day they went on "strike".

The management, confronted with an illegal strike based on grievances which it was not responsible for, then threw the book at the workers. First, it asked the authorities to disconnect water supply.

According to sources, the management plans to seek a mandamus from the High Court to delete the workers from the NUPW membership rolls. Under the IRA, any union member who incites or stages an illegal strike is automatically deprived of his union membership.

On the cards also is the move to have the contractors drop these workers from their list.

The NUPW, which was the party that sought a court injunction to reconnect water supplies, legally cannot represent these workers. The fate of the 34 families, then, is already decided. Only the goodwill of the management can change their future.

True, political and social groups can publicise the predicament of these workers. But that publicity will not resolve the basic issues.

Only legislation can strengthen the weakness in the labour laws that perpetuate contract labour and its attendant ills which are at the root of the unrest in Batu Arang.

CSO: 4200/502

MALAYSIA

CHANGES TO INDUSTRIAL COORDINATION ACT ENACTED

Kuala Lumpur BUSINESS TIMES in English 18 Dec 85 pp 1

[Article by Azam Aris]

[Text] The long-awaited changes to the Industrial Coordination Act (ICA)--which will boost investment, improve the investment climate and reduce red tape--take effect today.

The changes were announced by Trade and Industry Minister Tengku Razaleigh Hamzah at the launching of the Export Promotion Council and opening of a three-day dialogue with the private sector in Kuala Lumpur yesterday.

The changes to the ICA, a premier legislation governing the country's investment conditions, include:

--Raising the level of exemption for licensing of manufacturing activities from the present \$250,000 in shareholders' funds to \$1 million, or, in respect of the number of workers from 25 to 50;

--Permitting the expansion of capacities and diversification by export-oriented industries without any need for prior approval.

The same conditions will be applicable to companies which produce for the local market, but the automatic approval is limited only to those whose shareholders' funds are below \$2.5 million. However, such expansion must be reported to the ministry for record purposes, the minister said.

Tengku Razaleigh stressed that the companies permitted to expand are still required to comply with the 30 per cent Bumiputera equity condition.

"This is to ensure greater degree of certainty and to avoid changes of conditions midstream. It has been decided that whatever equity condition that has been negotiated and endorsed by the ministry will not be altered when companies undertake expansion," he said.

However, this condition is not applicable to companies which do not enjoy incentives and whose shareholders' funds are below \$1.5 million.

He said the government will adopt a flexible attitude toward companies which have to comply with the 30 per cent Bumiputera equity.

"In view of the difficulties in locating suitable Bumiputera partners, the government has agreed that a 'clearance letter' will be issued to companies concerned to facilitate their dealings with other ministries and government agencies," he said.

Tengku Razaleigh added that those companies must, however, not consider the relaxation as an exemption from the equity condition.

He said the shares must be allocated "as and when there are interested Bumiputera investors." The relaxation to equity conditions is subject to review after one year.

On the proposal that some form of incentives be given to attract companies to comply with the New Economic Policy (NEP) requirement, Tengku Razaleigh said such a move will not be appropriate.

"These are essentially separate issues. To my mind, allocation of equity must be based on the sincerity and genuine desire to contribute meaningfully toward the achievement of the NEP," he said.

CSO: 4200/503

MALAYSIA

NEED FOR MORE REFINING FACILITIES FORESEEN

Kuala Lumpur BUSINESS TIMES in English 6 Dec 85 p 1

[Article by Ho Sook Han]

[Text] Malaysia expects it will need additional refining facilities in about five years despite excess refining capacity in many countries including Singapore.

Energy, Telecommunications and Posts Minister Datuk Leo Moggie told Ascope conference participants yesterday that the government must consider the implications of a likely decrease in global refining surplus after 1990 and escalation in refinery rentals.

"Even if Malaysia's refinery production were to be maintained at 62 per cent of inland demand, additional capacity will be required by 1990."

Speaking to reporters later, Datuk Leo Moggie acknowledged that Petronas is currently able to process its crude oil very cheaply in Singapore.

But this situation, he added, may change in the future. It is thus necessary to consider the long-term interests of the country, given the importance of oil products to the economy.

Petronas executive director (downstream) Datuk Murah Hashim said Petronas is now studying various options to meet the projected increase in domestic demand for petroleum products. These include building a new refinery in Malacca, buying or leasing refining capacity in Singapore and unused capacity in existing refineries in Malaysia owned by Shell and Esso.

A senior official of the Singapore Petroleum Company attending the conference told BUSINESS TIMES earlier this week that Petronas and Singapore authorities have informally discussed the possibility of Petronas "equity participation" in Singapore refineries.

Singapore refineries have an effective capacity of about 850,000 barrels per day (bpd) but are presently operating at 600,000-650,000 bpd.

All the above options, however, do not take into account the proposed setting of a refinery in Perak by a private group.

"Petronas has nothing to do with the Perak refinery and would have to revise its supply options considerably should that project come onstream," he said.

In his speech, Datuk Leo Moggie noted that the Shell and Esso refineries at Port Dickson, originally designed to process West Asian crudes, have shifted sharply to more domestic crude since 1982.

This reflects increased local demand for middle to lighter distillates such as diesel and petrol, more of which can be derived from Malaysian oil, he said.

The change in the crude diet has reduced the effective capacity of those refineries to 86-87 per cent of their design capacity.

Demand for heavy residual fuel oil consumption will also decline sharply in the future as a result of gas substitution in power generation.

In addition, new heavy fuel oil conversion cracking capacity will be required to avoid future imbalances between oil product supply and demand though only the Shell refinery at Port Dickson has a sufficiently large throughput to support a heavy fuel oil conversion unit of the minimum economic size of 20,000 bpd.

CSO: 4200/503

MALAYSIA

GOVERNMENT URGES MORE COMPETITIVE GAS PRICES

Kuala Lumpur NEW STRAITS TIMES in English 6 Dec 85 p 2

[Article by Ali Hamdan]

[Text] Kuala Lumpur, Thurs.--Petronas has been asked to fix competitive prices for gas so that its abundance could be put to maximum use in industries.

At competitive prices, the excess supplies in the country will be able to withstand the threat of a possible switch to coal as a cheap substitute for fuel oil in the near future.

Energy, Posts and Telecommunications Minister Datuk Leo Moggie told reporters at the Asean Council on Petroleum (Ascope) conference today: "We (his ministry officials) will have to talk further with Petronas on the pricing.

"Coal will be the main competitor of gas. What percentage of coal and gas will be used as substitute for fuel oil will depend on how competitive the prices are."

He said the chances of Malaysia becoming a major producer of natural gas were "very good judging from the geological structure."

It is estimated that there are enough natural gas resources in the country to last 70 to 100 years.

"It is, therefore, important for us to make maximum use of this to our advantage," he said.

Earlier, presenting a plenary paper on the Present and Future Energy Requirements in Malaysia at the conference, Datuk Moggie spoke of the possibility of bringing down electricity rates when power stations began to make use of gas in place of fuel oil.

He said: "The conversion of West Coast power stations to gas would ensure the requisite gas volume that would result in optimal capital cost of the pipeline construction.

"Second, the cost of electricity plays a significant impact on the national economy. The price of fuel to the electricity utility is critical in determining the level of electricity tariff.

Demand

"A competitive gas price to the electricity utility would lead to a better electricity tariff structure, which will in turn help to reduce the cost of manufacturing and industrial production and, therefore, give the greatest impact to the country's industrialisation programme."

He said gas could also be used to substitute fuel oil in industrial boilers.

"However, the substitution will be confined to areas close to the gas pipeline and will depend further on the competitiveness of gas versus coal," he added.

Datuk Moggie said Brunei at present supplied considerable amounts of the liquid natural gas (LNG) requirements of Japan, South Korea and Taiwan. However, it is anticipated that Brunei's LNG production will decrease and Malaysia should be able to capture this part of its LNG market.

He said: "Fuel oil consumption level (in Malaysia) will increase at the rate of 3.4 per cent per annum but the total share of fuel oil in total demand is expected to decline from 5.8 per cent in 1980 to 2.7 per cent in 2010.

"The share of petrol in the total energy demand is also expected to decline as it is expected that LPG (liquid petroleum gas) will partly substitute petrol in transportation."

The share of electricity in the total demand, however, is expected to increase from 9.3 per cent in 1980 to 13 per cent in 2010.

The electricity share in the total demand would, in fact, peak at 24 per cent in 1995 due to the success of the Government's rural electricity intensification programme, he said.

CSO: 4200/502

MALAYSIA

BETTER OIL EXPLORATION TERMS OFFERED

Kuala Lumpur NEW STRAITS TIMES in English 6 Dec 85 p 2

[Text] Kuala Lumpur, Thurs.—The Government is offering more attractive terms for new offshore oil and gas exploration activities in the country, Finance Minister Daim Zainuddin said today.

Closing the four-day Asean Council on Petroleum (Ascope) conference today, Encik Daim said that contractors would gain from increased allowances for recovery of costs, improved profit splits and the waiving of all bonus payments to the Government.

The percentage allowed for contractors to recover the cost of exploration, development and production has been increased to 50 per cent of gross production of crude oil. The previous figure was 30 per cent.

In the case of gas, the new percentage was now 60 per cent whereas the old rate was 35 per cent.

Under the old production sharing contracts, after deducting payments for royalty and cost recovery, the remaining 70 per cent of oil or 65 per cent of gas was shared between Petronas and the contractor in the ratio of 70:30.

Encik Daim said that these ratios had now been adjusted to ensure an adequate return to the contractor, especially for those working in smaller hydrocarbon fields.

The improved oil profit formula would be on a sliding scale based on average daily production.

The split for the first 10,000 barrels per day (bpd) of production would be 50:50 between Petronas and the contractor.

For the next 10,000 bpd, it would be 60:40 in favour of the national oil company.

All production in excess of 20,000 bpd would be divided between Petronas and the contractor on a 70:30 basis.

However, this scale would only apply for the first 50 million barrels of cumulative production for the contract area.

Proportion

All production in excess of 50 million barrels would be shared 70:30 between Petronas and the contractor.

As for natural gas, all profit gas would be equally divided between the two for the first two trillion standard cubic feet (scf) of gas produced and sold from the contract area.

Beyond that level, the gas split would revert to the present 70:30 proportion in favour of Petronas.

The Finance Minister added that as a further incentive, all bonus payments due to the Government by oil companies would be waived.

Contractors have so far been required to pay signature bonuses, discovery bonuses, discovery bonuses of \$2.5 million each, and production bonuses of \$5 million for every 50,000 bpd.

Encik Daim said that with world oil prices currently averaging US\$28 per barrel, exploration in the Asean region was still profitable.

While regional hydrocarbon discoveries had been relatively small in size, he pointed out that even in other petroleum basins of the world, there had been no giant discoveries for a long time.

He, therefore, urged foreign oil companies not to be short-sighted but to overlook the current oil price slump and to continue searching for oil and gas.

CSO: 4200/502

MALAYSIA

TIN GRAY MARKET DEVELOPING

Kuala Lumpur NEW STRAITS TIMES in English 5 Dec 85 p 19

[Article by Lim Eng Been]

[Text] A Malaysian grey tin market is slowly but steadily developing and an increasing amount is being traded by smelters in view of the unresolved world tin crisis.

Datuk Keramat Holdings deputy managing director Encik Nazir Ariff said yesterday that Datuk Keramat Smelting Company Sdn Bhd, which is a subsidiary of DKH, has been selling a reasonable tonnage of tin to buyers worldwide, especially to Japan and Europe.

He said Datuk Keramat Smelting, however, only acted as a middleman between the tin miners and buyers and it did not get any cut in the deal.

"First we get the buyers who quote the tonnage and the price. Then we contact our branches to find out if any seller can meet the order."

He said the unofficial direct sales of tin between miners and buyers have been going on since the middle of last month.

It is being done at an undisclosed price which is below the International Tin Council (ITC) floor price of \$29.15 per kilo.

He said the price was reasonable but had to be undisclosed otherwise it could be used as a reference price in the current talks to resolve the tin crisis.

"A lot of mines have sold their tin to us. Things are moving and it is helping their cash flow."

Datuk Keramat Smelting and Malaysian Smelting Corporation Sdn Bhd have increased the advance to miners from 30 per cent to 40 per cent.

He said the best solution to the tin crisis was for the countries involved to pay up and have the buffer stock and the London Metal Exchange tin trading operation again.

A report from Frankfurt, Germany, last week stated that a tin grey market has evolved since the suspension of official London Metal Exchange trading in October and West German traders are taking an active part in it.

NEW ZEALAND

NEW WORKERS' ALLIANCE FORMED IN AUSTRALIA

Auckland NEW ZEALAND TRIBUNE in English 25 Nov 85 p 5

[Interview with Mick Doleman, a guest at the 7th National Conference of the Sup Nz as a representative of the Association of Communist Unity, by Jan Farr]

[Text]

MICK DOLEMAN has worked at sea for half of his 30 years. His early interest in politics took him from the Australian Labour Party to the Socialist Party of Australia, to the Association of Communist Unity. As a seamen's delegate to the World Youth Festival in 1978, and after a visit to the Soviet Union, he became convinced that socialism was the answer to the world's problems. He became a member of the transport branch of the Socialist Party of Australia.

With a number of other seamen, he left the Party in 1982. They saw a need to find a holding place for comrades who had left, to keep their political study, discussion, dialogue and activity going.

The first national conference of the Maritime Union's Socialist Activities Association (MUSAA) was held in Sydney in 1982. Open to all pro-working-class people, it now

has 800 members and branches in Brisbane, Newcastle, Sydney, Wollongong, Fremantle and Melbourne, where Mick is State Secretary.

"We have attracted a large number of people who would never have joined a communist party of any colour or flavour, but who have found an association of like-minded people to work with on issues that are close to the working class around the area of the waterfront in their respective cities," Mick said.

"It will never be a communist party," Mick said. "Even when an alternative Marxist-Leninist Party is formed in Australia MUSAA's identity as a broad-based socialist activities group which is attractive and useful to workers, will be retained."

The idea has broadened now to workers in other industries. Every branch has its own library.

"We have now formed an unemployed and workers' alliance where we seek out,

through dialogue, areas where we can work together," Mick said.

Mick is looking forward to a large conference of broad-based progressive groups to be held in Sydney at Easter. With 1500 delegates, he says it will be the biggest such meeting held in Australia. ■

CSO: 4200/500

NEW ZEALAND

MARXIST WEEKLY VIEWS PLIGHT OF FARMERS

Auckland NEW ZEALAND TRIBUNE in English 25 Nov 85 p 7

[News Analysis by Jan Farr: "Free-Marketing Farming Helps Only Monopoly"]

[Text] 'INTEREST and exchange rates down, or New Zealand dies,' said one of the placards at the opening of the Rangiora branch of the Rural Bank.

This marks a high level of militancy for farmers as they face a new reality.

Many working farmers are hit hard by the Government's economic policies, designed to help neither working farmer, small business owner nor worker, but only to further benefit monopoly. Those who want these policies are the wealthy farmers, the big road transport companies, the big dairy and meat companies and the shipping monopolies.

Farmers have shown their militancy with protests, buying boycotts, plans for live-sheep exports changes in marketing forms and ewe mutton slaughter. Live-sheep exports, hailed as the 'greatest hope farmers have had for a

long time' will in reality benefit only the Australian monopoly organising it. The promised 40% more for each ram lamb promised to the farmers will be eaten by the lambs before they leave. The lambs must be grain fed and kept for an extra five months until May next year, but those going to the freezing works are pasture fed and go in December.

This exercise will divide farmers from their much needed allies—workers. Surprisingly, Colin Moyle, who has supported the venture by lifting the ten-year ban on live sheep exports, admits that the real future for meat marketing in the Middle East lies with chilled, processed meat rather than with live-sheep exports.

The interests of working farmers can further be seen in the protest action in Mayfield in September, where farmers killed their old ewes and buried them.

The organiser of the protest said that the exercise had nothing to do with raising

product prices—that it was to show that farmers were getting nothing from the product which had millions of dollars in exportable value.

"Really farmers are resolved they are not prepared to supply the transport and processing industry and get no return themselves," he said.

At one end of this process of swelling monopoly profits and shrinking returns are the workers. The meat and dairy companies were reluctant to increase workers' wages after a three-year wage freeze and huge increases in living costs during which their profits soared, because they knew that farmers, who are at the other end of the process, were not doing well enough for companies to be able to pass on the costs to them.

Rising interest and exchange rates, the removal of National's unrealistic subsidies and the privatising of meat trading have been a rude awakening for farmers. The Ministry of Agriculture has predicted a drop of \$23,000 in net farm income for

the 1985/86 season. Debt servicing will be up 10% and interest rates up 16%, they say. In Canterbury already 60% (3000 farmers) are in a marginal or unsound position and the lateness of the Government's package to help farmers has raised worries that the help will not be great.

Like the rest of the economy, farming is being thrown to the forces of the free market. The results of this are foreshadowed in the three mortgagee sales to the Rural Bank this month, the first since the early '70s. The Government is encouraging farmers to see private finance companies as alternative sources of loan money. This is reinforced in the Government's aid package and will open the way for large-scale take-over of farms by private finance companies and banks.

We have 30,000 farmers who generate \$3 billion of meat and wool exports a year. It is little wonder then that a fall in their fortunes affects the rest of the country.

Forced to take Colin Moyle's advice of tight budgeting before it was offered, farmers are cutting back on fertiliser, road transport, fuel and electricity. Their slaughter protest showed they are not able to live with high killing and processing charges.

Already small business is suffering. Workers in Christchurch and Rangiora have been laid off as a direct result of the slump in farming. In Christchurch on October 19 business leaders and farming

representatives made joint submissions to Government MPs in a closed meeting. The businessmen said that their wholehearted support for the Government's financial policies has been checked by the realisation that country-town and Christchurch spending could be hit by tens of millions of dollars and also by contact with the hardship of farm families.

If we are to achieve a secure economy, workers must be included in the alliance of farmers and small business owners.

Another worry on the horizon for farmers is the threat of raised US duty on meat exports. Already the US charges duty of 80 cents a kilo on our exported meat. This is said to be destroying meat returns to New Zealand. Protectionist US farmers have appealed and want that figure raised.

The only way to ensure a safe future for our exports is with positive governmental action to ensure reciprocal trade with socialist and non-aligned countries.

This will, in most cases, tie us to more stable markets and will link our workers and primary producers with countries which share our desire for a peaceful world free of nuclear threats. ■

PAPUA NEW GUINEA

OIL FLOWS FROM NEW WELL

Port Moresby PAPUA NEW GUINEA POST COURIER in English 13 Dec 85 p 1

[Article by Noel Pascoe]

[Text] Oil is flowing from the latest test at Juha-3 well in the Southern Highlands.

Juha-3 flowed at the rate of 385 barrels and 4.76 million cubic feet of gas a day, a spokesman for the drilling consortium, Niugini Gulf Oil Pty Ltd., said yesterday.

"It's high-grade light condensate," said the official.

"And there is virtually no water to spoil things--so far."

The previous hope for a commercial show of oil, Mananda-3, was eventually abandoned because the good oil flow was swamped by water.

The Juha oil is believed to have flowed last on Wednesday, on the last of four drill stem tests.

Drillers were cautious about the early results and said more tests would be done over the next five or six days to evaluate the find.

A senior official of Ampol Exploration Pty Ltd., a partner in the well, refused to comment when telephoned in Sydney yesterday afternoon.

Further tests will be done with different sized drill stems to gauge the maximum flows to be expected from Juha-3.

Oilfield workers, after making tests on the condensate flowing from the hole, are burning it off.

"There's no way we could economically transport the oil out of there at this stage," the Gulf oil official said.

"It was safer to burn oil off than to try to store it indefinitely and risk an explosion."

The condensate found at Juha-3 is highly flammable, with high percentages of butane and propane involved.

PHILIPPINES

COLUMNIST WELCOMES CORY AQUINO CANDIDACY

Quezon City ANC PAHAYAGANG MALAYA in English 29 Nov 85 pp 4, 6

[*"Now and Then"* by Jose J. Burgos, Sr.,: *"Today's Gabriela Silang"*]

[Text]

One of the most absorbing chapters in Philippine history concerns the stirring saga of Gabriela Silang, Ilocandia's most famous heroine. When her husband, Diego, who had mounted the Ilocos revolt, was betrayed by a mestizo, resulting in his apprehension and hanging by the Spaniards, Gabriela immediately took up the fight against the foreign tyrants, leading the intrepid band of Ilocano freedom fighters until she, too, was caught and put to death.

Cory C. Aquino is today's version of Gabriela Silang. Her husband, coming home on a mission of peace and reconciliation, was ruthlessly murdered on Aug. 21, 1983, by those who wanted him dead so he would no longer pose a threat to their political security. Without doubt, Cory must have vowed to avenge, in some way, her husband's death. Just like what Gabriela Silang did.

This is why Cory C. Aquino should - and must - run against the man she suspects to be behind the treacherous killing of her husband.

And this is why Filipinos who know the true story of Ninoy Aquino - his life, his earlier triumphs his immense sufferings and near-death in a military camp and his final martyrdom - and who love justice, freedom and democracy will support Ninoy's widow.

Undoubtedly, the campaign that Cory will wage against Marcos should she decide to run, will raise a lot of emotionalism. It will have all the elements of high drama - "Wife Seeks to Avenge - Murder of Husband."

Filipinos are an emotional people, and this line of campaigning will get for Cory a lot of sympathy.

But there are cogent reasons, other than emotional, why the widow will be a formidable candidate

against the wilest and most ruthless politician in our history.

First is that it's time the country is given to a non-politician. The old political pros have ruined the entire land. They have wrecked the national economy, destroyed the fabric of human liberty and human rights woven with so much sacrifice and care by our forbears, brought about so much anguish among our people and have, by their greed for gold and power and stupidity, caused the evil seeds of insurgency to flower, that the time has come to snatch the reins of government from their bungling and cupidity and entrust it to a non-politician. The clamor throughout the country to day is to get rid of the professional politicians led by Marcos who have long plundered and abused our people to enrich themselves, their families and cronies and to entrench themselves in power.

Cory Aquino is more than a match for Marcos. Integrity-wise, there is nothing that could be said against her. In terms of education, training and background, she could compare with any other candidate - man or woman - Imelda Marcos included.

She is highly intelligent, as proven by what she has sponta-

neously said during the few times she has appeared in public.

She has charisma, shown by the incredible amount of adulation she has aroused since that fateful day of Aug. 21, 1983. Although she had not yet announced her availability, a huge cry for her candidacy is now sweeping the length and breadth of the country.

This public sentiment will increase in intensity when she takes to the stump in her campaign against the ailing Marcos and his "sobra na" record during the last two decade he has been in office.

Cory Aquino is, of course, the rallying point of all people who have been fed up with all the evils of martial dictatorship and all the agony which has been heaped upon the shoulders of a long-suffering populace.

People see in her the avenging spirit of Ninoy Aquino who gave up his life in order to restore peace in our land and bring back the legacy of justice, freedom and democracy which, for the last 20 years, has been brutally denied them.

But where the story of the ill-fated Gabriela Silang was a tragedy, I am certain the righteous quest of Cory Aquino for justice will be a glorious success.

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CSO: 4200/428

PHILIPPINES

OPPOSITION LEADER ON MILITARY FUNDS IN ELECTION

Quezon City ANG PAHAYAGANG MALAYA in English 29 Nov 85 pp 1, 6

[Text]

Guingona said the AFP incomes — derived from rentals of AFP equipment and other property, sale of confiscated contraband, and others — should all go to the general fund and could not be spent except as provided for by the Constitution.

"No executive order can authorize such disbursements because no public money should come out of the Treasury unless by proper appropriation made by law," Guingona said.

Therefore, E. O. 1002 is illegal and the expenses made under it are likewise illegal, he added.

He pointed out that with the forthcoming election, these AFP funds which amount to millions of pesos,

"become a potent economic weapon that could be unlawfully used for the candidacy of the man who authorized such expenditure."

Guingona sought the repeal of E. O. 1002.

The Bandila official also questioned expenditure incurred by the AFP Retirement and Separation Benefits System (RSBS) which he said were not properly audited. Among such expenses, Guingona noted, were P47,000 for "evaluation", P56,000 for "transportation", and P20,000 for "gifts" for the month of May alone.

Guingona said no explanation was given for such spending which necessarily resulted to a lessening of RSBS benefits granted to its soldier-members.

A militant opposition leader yesterday warned against a strong possibility that the ruling political party would tap unaudited military funds for "election purposes and other illegal uses."

Teofisto Guingona, chairman of the Bansang Nagkakaisa sa Diwa at Layunin (Bandila), said the Armed Forces have certain revenues that the AFP Chief of Staff can use for any purpose he deems fit.

Guingona, a former Constitutional Convention delegate, said such power of the AFP Chief of Staff was granted by Executive Order 1002 which he described as "illegal."

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CSO: 4200/428

PHILIPPINES

BIGORNIA ON GOVERNMENT DOUBLE STANDARD, COJUANGCO INTERVIEW

Manila BULLETIN TODAY in English 30 Nov 85 pp 6, 20

[Article by Jesus Bigornia: "How Different Is Adaza Case From Mendoza's?"]

[Text]

WHEN is the "sauce for the goose not sauce for the gander?" When the gander is a fair-haired favorite of the powers that be in this country. That is how the ordinary Filipino, unable to understand the convoluted logic of legal luminaries, will regard a Supreme Court decision affirming and upholding Justice Minister Estelito Mendoza's assumption of the office of governor of Pampanga. That the 11-page decision, penned by Associate Justice Buenaventura de la Fuente, is exhaustive, well-written and amply argued, is beside the point.

For the High Tribunal failed miserably to answer the question why it ruled only last year to bar Assemblyman Homobono Adaza (MA, Misamis Oriental), an opposition critic of the Marcos regime, from re-assuming the governorship of his province in spite of his election to the Batasang Pambansa. The Supreme Court held that when Adaza took his oath as a lawmaker, he could no longer exercise the functions of governor. In the case of Mendoza, it was the other way around. Elected governor of Pampanga, Mendoza quit the provincial post to accept the portfolio of justice. Before Malacañang could act on his resignation,

the minister of justice underwent a change of mind. He wanted to retain the governorship of his province.

Naturally, Vice Governor Cicero Punzalan, who had assumed the position he thought was already vacant, objected. Hence the Supreme Court case challenging Minister Mendoza's "return" to Pampanga. The answer to the Punzalan challenge is to be found in the majority's opinion distinguishing between an elected (Adaza) and an appointed (Mendoza) member of the Parliament. Dissenting from the majority view, Associate Justice Claudio Teehankee asserts that the tribunal's ruling in the Adaza versus Pacana case "is clear and unambiguous" and that it "is fully applicable to the case of the governorship of Pampanga." But he and Associate Justice Amorina Herrera are in the minority of a collegiate court of eleven.

If the Punzalan versus Mendoza is to leave an object lesson, it is that in decisions involving significant political issues affecting the lives of the people, such decisions should be clearly understood, that is, that they should be written in the simplest terms at the justices' command. Members of the High Tribunal are expected to write their decisions for the mass of the people, not for the bright stars of the legal firma-

ment like the minister of justice and Vice Governor Punzalan. In the present instance, though ably written, the decision raises more questions than those answered.

* * *

A two-part feature on business tycoon Eduardo Cojuangco that occupied top billing in a recent Asian Wall Street Journal issue made for engrossing reading. Anthony Spaeth, the correspondent, deserves a salute from colleagues in the profession. He was able to track down and corner a man known for reclusiveness for an interview. Not only that, Spaeth made an otherwise dull business article interesting by the man Cojuangco most people do not see.

* * *

For his part, the financier-industrialist gave Asian Wall Street Journal readers a sample of his keen perception of current events in business as well as in politics, his candidness and his ambitions. It was pretty obvious Cojuangco did not duck any of Spaeth's questions. His short and snappy replies as reported by the correspondent made it clear he is a no-nonsense subject for an interview. Party colleagues, teetering on a decision on the best possible candidate for vice president of the Philippines between the Tarlac tycoon and Deputy

Prime Minister Jose A. Rofio, or even Labor Minister Blas F. Ople, could benefit from a reading of the Spaeth articles.

* * *

Few, if any, of his police colleagues can object to a one-year extension of tenure as superintendent of the Western (Manila) Police District that Malacañang has accorded Police Brig. Gen. Narciso Cabrera. For his ability to defuse potentially violent demonstrations, even those mounted by radical elements, the chief of "Manila's Finest" was recommended for extension by his civilian and military superiors, first by the First Lady in her capacity as governor of Metropolitan Manila, and then Manila Mayor Ramon D. Bagatsing, Manila Vice Mayor James Barbers, Lt. Gen. Fidel Ramos, acting Armed Forces chief of staff, and Brig Gen. Natividad, commanding general of the Philippine Constabulary Metropolitan Command (PC Metrocom). But General Cabrera faces a challenge more serious than rallies and demonstrations, the rising wave of criminality in the No. 1 city of the country. If he is to leave his mark in police annals, he must address himself to this problem during the balance of his tenure as WPD commanding general.

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PHILIPPINES

NAJFD'S PADILLA COMMENTS: 'OUR ENEMY IS UNITED STATES'

Madrid MUNDO OBRERO in Spanish 24 Oct 85 pp 42-43

[Interview with Alex Padilla, secretary general of the National Alliance for Justice, Freedom and Democracy (NAJFD), by Carmen Monzon; date and place not given]

[Text] Elsewhere, repression has once again struck out mercilessly at those who had supported the appeal of the BAYAN [New Patriotic Alliance], an organization grouping different political and social forces and one of the strongest opposition groups. "This has resulted in a very significant change in our type of resistance," says Alex Padilla, secretary general of the National Alliance for Justice, Freedom and Democracy, one of the main groups included in the BAYAN. "For the first time, there have been coordinated campaigns in Luzon and Mindanao appealing for coordinated, multisectorial demonstrations. Up until now, each sector waged its own struggle, but we have finally brought about a general strike affecting transportation, agriculture and workers in various areas and the summons was seconded by over 350,000 persons."

[Question] But the main problem facing the opposition in the Philippines is not the fight against Marcos, but a more powerful enemy with strong interests on the archipelago.

[Answer] The problem is not only Marcos; that is true. We have a dictator supported and maintained by the American Government for two very important reasons: economic and military. Since martial law was declared in 1972, the main financing has come from the United States, 98 percent of our weapons come from there and we now have a military force which, along with other paramilitary sectors involved in civil defense, is made up of over 700,000 persons.

Even NATO recognizes our territory as the main colony of the United States in the zone and the most important one it now has.

Economically speaking, American capital has over \$1 trillion invested, which accounts for 70 percent of all private investments in Southeast Asia, but with all of this, the most ironic thing is that the main interest of the United States in the Philippines is its naval bases.

[Question] Can you be more specific about those interests?

[Answer] At the present time, there are 21 naval air bases, the most important ones being Clark and Surik. There are regularly seven fleets at the latter, including the famous 6th Fleet. Because of their good strategic location, these bases are the largest existing outside the territory of the United States and from the standpoint of the government, if the United States should lose these bases, it would lose influence in the Southeast Pacific.

For us, in addition to this being a risky and dangerous situation to our survival, it involves a major burden because legally speaking, they granted us independence. However, our territory is being used as a base for invasions such as that of Vietnam, to control Northeast Asia or to "defend" the oil route.

[Question] What is the answer to all of this?

[Answer] Ever since martial law was lifted the opposition has reorganized with greater strength. We already have a great tradition and a strong resistance, because we are not only fighting a dictator, but an entire system. With the increasing poverty, people are dying from malnutrition and the military budgets absorb most of our resources. This has a logical effect on all the rest. In addition, all the people are organizing because the situation is ever more acute.

[Question] What about the other opposition, about which more is known in Europe?

[Answer] The vision in the West of the opposition in the Philippines is that it only exists in greater Manila. Since martial law was lifted, we have felt that the most widely known opposition is the traditional one, that of Salvador Laurel and UNIDO, but the only thing these people want is to change the man in power. Since 1972, Marcos has controlled power and shut off every possible outlet for any kind of change, but these traditional leaders are only trying to gain power.

[Question] Could Salvador Laurel not be an alternative to Marcos, even with the support of the United States, given the deterioration in Marcos' image, in his policies?

[Answer] The American State Department is developing a threefold policy of complete and absolute support for Marcos because it knows that he is the dictator it able to protect its interests. Its policy is aimed only at keeping him in power. In addition, an attempt is being made at a kind of reconciliation of the traditional opposition with Marcos, still with the possibility of his remaining in power.

The third aspect is that the Americans know that the groups of the other opposition, such as the BAYAN, are strong, powerful and dangerous to their interests and that there is an even stronger underlying policy that could endanger all their plans: the existence of the National Democratic Front and the New Army of the People or the Democratic Alliance. At no time will they allow us any possibility, despite the apparent elections that might be held.

[Question] Do you believe that after the events of the 21st, the United States will step up its intervention?

[Answer] The signs of intervention are there. It has tripled the number of military advisers because in that sense, it is following a different policy from that used in Vietnam or other countries. At that time, international public opinion was against it because its soldiers intervened directly. Now, with the lesson it has learned, it sends personnel to prepare and train Philippine officials, so that it neutralizes influence on world public opinion, although it is still intervention in the fullest sense of the word.

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PHILIPPINES

OFFICIAL DISCUSSES SOVEREIGNTY OVER BASES

Manila BULLETIN TODAY in English 27 Nov 85 pp 7, 11

["Remarks" by Edmundo Libid, minister-counsellor in the Ministry of Foreign Affairs, at the "Symposium on RP-U.S. Military Bases Agreement" sponsored by the Philippine Constitution Association, Army and Navy Club, Rizal Park, 21 Nov 1985: "Forum and Substance of RP Sovereignty in the Bases"]

[Text]

I have two functions in attending this meeting of PHILCONSA tonight. First, as a member, I am duty bound to participate in the Association's activities such as this important dinner-symposium. Since this is my first chance to attend as a member under the term of the new president, the Honorable Justice Porfirio V. Sison, allow me to express my congratulations on his election as head of this prestigious group. My other function tonight is in the performance of the instruction given to me by my Minister, the Honorable Pacifico A. Castro, Acting Minister for Foreign Affairs. He has expressly instructed me to attend, in his behalf and in behalf of the Ministry of Foreign Affairs, this meeting in fulfillment of the charges which he has accepted when Justice Sison invited him to this dinner-symposium on the topic of the RP-US Military Bases Agreement.

We are given to understand that tonight will also serve the formal launching of the "Primer on RP-US Military Bases Agreement — A Basic Element of Philippine Foreign Policy." According to the cover of this primer, this was prepared by a special committee of the PHILCONSA and published by the Ministry of Public Information.

Precisely on the subject of this primer, Minister Castro has given explicit instruction to bring to the attention of this important body certain important attributes of this

primer which, in the interest of objective truth and accurate historical perspective, should be made known, discussed, and clarified to the fullest understanding of everyone concerned. For the reason that this is a very important association of personalities — and I quote the motto written in the stationery of the Association "Dedicated to the preservation, defense and flowering of the constitution," for this reason, — I am encouraged to speak in a more direct and frank manner of sentiments which my Minister of Foreign Affairs wishes conveyed to you. It is conveyed in the spirit and recognition of the qualities of this association and of the members themselves, qualities which mark this group as being fair-minded, just and honest scholars in their own individual right.

I have earlier prepared an outline of the remarks that I intended to contribute as part of this symposium concerning the important subject matter of the RP-US Military Bases Agreement. But Minister Castro asked me to set this aside and, instead, he indicated to me his strong interest that I discuss with you the valid observation and concern which he shares with regard to the accuracy, completeness, and historical integrity of this primer. Upon the observations that we will make here, we are prepared to answer questions from our friends in PHILCONSA after our remarks and during the

open-forum.

Without detracting from the meritorious effort of those who prepared this primer, it is our duty and firm conviction that the following points of observation should be made:

1. The primer is incomplete. It is recognized that a research output as brief as this one cannot be expected to be ideally complete and exhaustive, nevertheless it suffers from a gap which is very glaring in the sense that the study covers and the developments on the bases agreements only up to the year 1979. All amendments and improvements in the terms of the agreements beyond 1979 are left out, notably the review and amendments made in 1983 and the latest amendment on the Bases Labor Agreement as signed on Sept. 5, 1985.

2. Because of this gap, the effective result is the suppression and downgrading of the achievements of President Marcos in the improvement of the bases agreement. It will amount to a serious historical distortion, if we shall let pass unnoticed, uncontested and undocumented upon the glaring gap in the presentation of the history of the bases agreement. It will not be in the standard of honest scholarship, if we continue deliberately to ignore, or worse, to downgrade the various and substantial improvements and gains successfully negotiated and achieved under the administration and direction of President Marcos. I shall discuss this at the later part of

my remarks but at this point it will suffice to mention that by this neglect the integrity and quality of scholarship of this primer is affected and perhaps impaired.

3. A dangerous advocacy is indicated in the conclusion of this primer, to the effect that it seems to favor, if not advocate, the entry of foreign armed troops into the country. In the final paragraph of this primer, it says "to hold together American alliances in Asia, the US will have to face up squarely to the problem of limited war, show a willingness to enter upon joint military planning with her Asian allies, and declare her readiness to commit appropriate forces to local and limited defense actions that will be able to maintain a valid capability to hold a favorable local power balance in selected areas." Indeed, this is an alarming and dangerous advocacy that can result in opening the gate to outright and direct armed intervention by a powerful state in the individual national affairs of independent states of the region, contrary to the basic soundness and most deliberate policy guidelines of our foreign policy.

I have earlier stated that President Marcos since he assumed the leadership of this country in 1965 has applied the most energetic, astute, wise and courageous initiatives in removing the wide range of inequities endemic in the original 1947 military bases agreement with the US. With keen and far-reaching vision, he has instructed and guided Filipino negotiators who, under the most trying of diplomatic pressures, have managed to assert the true and enduring interests of the nation that gained for us substantial benefits, enhanced mutuality, and greater dignity for the Filipino people.

Among these achievements are:

- (1) The unequivocal assertion and recognition by the United States of Philippine sovereignty over the bases, as clearly spelled out in the Marcos-Ford Agreement of 1975.
- (2) As stipulated in the Ramon-Rusk Agreement of 1966, the shortening of the term of the 1947 MHA from 99 years to 25 years.
- (3) Radical reduction of the number of bases and hectareage of the bases.
- (4) Instituting a system of review every five years starting 1979.
- (5) The inclusion of compensation package or rentals in exchange for the use of the base lands and facilities.
- (6) Improvement of the terms in the provision concerning criminal jurisdiction.
- (7) Creation of a joint legal committee and the joint committee which attend to the day-to-day problems connected with the implementation of the bases agreement.
- (8) Important symbolic gains were made such as the provision imposing that only the Philippine flag should fly over the Philippine bases and that the American flag may be displayed only during certain ceremonies and upon permission of the Philippine Base Commander.
- (9) The implementation in the bases of the CIQ or Customs Immigration and Quarantine requirements, in accordance with Philippine laws. This arrangement reflects the substantive attributes of sovereignty which are illustrated only symbolically by the display of Philippine flag and the institution of a Philippine Base Commander in the base; and lately, the signing this year of the Bases Labor Agreement which in some way benefited the Filipino

workers in the base. Another important achievement of the amendments obtained by the Marcos administration is the provision in the 1983 amendment requiring the Americans in the bases strictly to respect Philippine laws. This is provided in paragraph four of the Romualdez-Armaced Memorandum of Agreement of June 1, 1983.

These are only some of the achievements under the administration of President Marcos in its commitment to enhance and achieve the full substance of sovereignty in the bases. As President Marcos himself observed:

"The history of the military bases agreement is a record of continuing efforts by successive Philippine administrations acting in the national interest to improve the position of the Philippines and all of Asia to bring them into harmony with the requirements of what may be completely local interests like Philippine sovereignty and national dignity, while providing for adequate security not only for our country but for the region and perhaps for the world."

"Philippine sovereignty over the bases has always been a primordial concern of our government and people. From the beginning when the requirements of security were then specially heavy in our national consciousness, the vital element of sovereignty in the Agreement has not been assiduously asserted because both the United States and the Philippines were deeply engaged in small wars... this Administration, from the start, was, however, determined to affirm and assert authentic Philippine sovereignty over the bases."

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PHILIPPINES

PAPMR VIEWS APP CONDUCT OF WAR, IMPACT ON CIVILIANS

Quezon City ANG PAHAYAGANG MALAYA in English 20-23 Nov 85

["A Special Report" by Sylvia L. Mayuga, Part I: "Life, Death in a War Zone"]

[20 Nov 85 pp 1, 6]

Text It's difficult not to hear the voice of Ferdinand Marcos, his generals, their American advisers and that one-dimensional military mind all over this country today -- even when you're wallowing in the mud of country lanes, marvelling at giant butterflies and admiring the rushing currents of mighty rivers far from the mass media.

In cities and town centers, Filipinos may march, write letters, organize, boycott a deeply entrenched power structure built by that voice whose 100 percent control of television, 90 percent control of radio and 85 percent control of the print medium still keeps the majority in ignorance about the total picture of this country's state of war.

In the countryside, the literal battlefield, things are much less disguised. There the voice of the imperial master speaks from a field of eerie silence in proliferating free-fire zones where anything that moves after dark that is not of the military must be NPA -- to be shot dead with no questions asked.

Now and again, more and more often as this war progresses, this silence made of fear so thick you can slide it is punctuated by teeth-chattering armalite fire, the soul-shaking boom of mortar shelling and the apocalyptic explosion of bombs.

And there is no substitute for ducking behind screaming headlines, life in one's pocket, close to the ratatat of machineguns and the boom boom boom of grenade launchers if one is to truly understand the gravity of our situation and the human reasons that fuel what Washington, D.C. calls "the Philippine problem".

The list of sitios, barrios, villages, poblaciones strafed, bombed and hamleted to "sanitize" areas as though the NPAs were a rare disease beyond cure or to "flush out CTs" (communist terrorists, as the military codenames them) like wild beasts from their lairs grows longer by the hour.

Like the Bataan Nuclear Plant or the global network of nuclear launching pads, these overkill missions originate from paper directives issued by well-groomed men who palaver in world capitals and dine on French cuisine -- far, far removed from the reality of shattered flesh, bloodied water sources, burned-out trees, rice-fields, houses, ghost villages, the hunger, disease, madness and death on both sides of a senseless war that is today ripping the Philippine social fabric apart.

Jolo in the early to mid-seventies was the first victim of these rituals of mass destruction launched to "unify" a country by brute force.

Thousands of hamlets, strafings and salvagings hence, the CTs and the STs (subversive terrorists) have not been "sanitized" out of existence but have instead proliferated on mass sympathy.

The logic of war and counter-insurgency would not exterminate all carriers of that sympathy until, perhaps, Philippine society is completely lobotomized.

With this prospect in mind, we focus now on the sites of bombing and strafing operations that we know about in the Philippine countryside so far: three villages in Surigao Norte, six in Agusan Sur, three in Agusan Norte, three in Misamis Oriental, two in the Mt. Province and, over the past year and a half, Marag Valley in Kalinga-Apayao, the Macalino area south of Pamplona, the southern part of Sanchez Mira, the boundary of Claveria and Calanasan, the area around the triboundaries of Claveria, Sta. Praxedes and Calanasan -- the last four located in the lush farthest reaches of Cagayan Valley, supposedly NPA lairs.

We call the military mind one-dimensional because they seem not to see that these places are also the home grounds of precious living things transcending ideology. Among them are birds like those white and pinkish herons and those wild doves no longer seen by "civilized" Filipino children, some of the largest and most brilliant butterflies and insects to gladden a naturalist's heart, a whole range of medicinal plants, orchids, hardwoods and softwoods, tribal Filipinos who live in light mastery on the earth, coaxing an abundance of rice, vegetables and fruit that feed urban centers all the way to Manila.

A total of 17 separate bombing incidents reported from Cagayan Valley by human rights groups since May, 1984, is what brought our fact-finding mission of 27 human rights, church and media people to Cagayan Valley and northeast Kalinga-Apayao last week.

That it has taken bombing, the decimation and hamletting of hundreds of thousands of fellow-Filipinos and human beings to bring us to the vanishing nature sanctuaries of our country is colonial irony enough.

It is an even greater irony to discover, in place of fire-eating monsters, some very human if very isolated fellow-Filipinos among the PC and AFP to gradually share with us some of their doubts, confusions and deprivations in the war against an "enemy" enough of them grudgingly admire.

What if the salvaging, hamletting, strafing and bombing are open admissions of helplessness against an idea whose time has come -- not for totalitarian control but for healthy infusion into the body politic?

What is the master's imperial voice is only ignorant, uninformed and arrogant bluster because the master lost his way a long time ago?

[21 Nov 85 pp 1, 3]

[A Special Report" by Sylvia L. Mayuga, Part II: "Logs, Not Rebels"]

[Text] The military operations in the barrios of Kagandungan, Calabigan and Bucao in Luma, Kalinga-Apayao; in the Macalino area south of Pamplona; in the barrios of Kittag, Cammaru, Bacsay, Centro Tw and Namunc in South Sanchez Mira; in the barrios of Cadaklan, Luxon and Nagsabaran at the boundary of Claveria and Calanasan and in the barrios of Cadungdungan, Sta. Praxedes, of Lablabig, Claveria and Sta. Filomena, Calanasan are, say the organizers of our fact-finding mission, "unprecedented in the history of the military's counter-insurgency operations in the whole Northern Luzon."

Before the bombing and strafing, they said, houses were ransacked and sprayed with bullets, people arrested and tortured, women raped. After the bombing, economic blockades were instituted, helped along by the revival of old animosities between lowlanders and people of the interior -- all under the official name of identifying NPA couriers, "Pasabilis" they call them, and sympathizers.

The whole trouble is that the NPA, armed and militarily trained, suffer less than the innocent people who live in and are willing to die defending these areas, often preferring to escape closer to the real NPA sanctuaries than to subsist in evacuee centers -- even if they have yet to learn to spell the word "communism."

However, once this life-and-death choice is made to remain on home grounds under NPA protection, contact with the outside world and with relatives who either evacuated freely or at gunpoint to town centers is cut off decisively. To move from one barrio to the next on a personal errand, to be seen with a blinking flashlight after dark in what has been declared 'no man's land' is certain death even for those who couldn't care less about ideology.

It is all reminiscent, summed up the human right briefing, of the policy against the people of the Cordillera as the Spaniards penetrated deeper into the forests. The ones who would not be subdued were named, for the following centuries, salvajes, erajes, lost souls whose choice few among the succeeding 'Christianized' generations would understand.

We know now that it was Cordillera gold, not Cordillera souls those early Spanish expeditions were after. The parallelism between then and now is not difficult to draw.

Cagayan Valley and Kalinga-Apayao are today the location of the largest combined logging concessions under the name of one man, Alfonso Lim, whose Taggat Industries, STW II, SPC and PARVI come up to a staggering total of 303,883 hectares of timber country.

One international tribal minorities worker who lived in Cagayan Valley for three years offers insights into Alfonso Lim's operations.

"Remember those bans on logging exports? They redounded to a grace period to kill off smaller logging companies which are now part of Lim's operations," he says.

"After the ban, logging resumes, this time in a larger monopoly. Someone in the Taggat company, a relative of Lim, has told me that Lim got into the Marcos group by giving Fuga Is., or a part of it, to Marcos. Taggat equipment was used to build Imelda a house there because she said she wanted one. When the bill was sent to her, she sent it back with a "Thank You." Just like that. From then on, Lim has been with Marcos on his birthday every year.

"The entire bombing operation is coordinated in Taggat. The planes are fueled in Taggat. The soldiers get P10 a day from Taggat. How do I know? People in Claveria and Sanchez-Mira, relatives of soldiers told me so."

Was the man purveying idle gossip fed on the ignorance of the countryside? It seems not.

PC Col Eduardo Batallo of Recom 2 in Tuguegarao claims not to have known about the bombing in Marag, despite the fact that PAF planes park and refuel in the PC camp.

One soldier interviewed by a member of our fact-finding team came up with even stronger confirmation. As a light plane painted red hovered over the deserted barrio of Bucao where we found two platoons of the 17th I.B. on the 12th day of an operation, our companion could not help expressing curiosity.

"Ay, sa Taggat 'yan," said the soldier, "baka magbabagsak ng pagkain."

Taggat Industries was listed as one of the top 1,000 corporations of the Philippines back in 1981. It is engaged in many different businesses, all of them linked to logging. It holds significant equities in a plywood and veneer plant, a fleet of cargo ships, sawmills, a pulp and paper plant, trucking services, aqua-culture and even a technical school.

Alfonso Lim, meanwhile, is widely known as the patron of a number of top provincial and municipal bureaucrats. It is said that it was after one of his trips to Malacanang to complain of NPA incursions into the Taggat logpond in Puitol, Kalinga-Apayao and into Pamplona where a platoon of the 115th PC Coy, CHDF and INP elements were wiped out by the NPA that the bombings increased in frequency.

Do we now publicly welcome another name into the ranks of monopoly capitalists fattened by the Marcos cronyism that even Washington, D.C. has expressed despair over?

22 Nov 85 pp 1, 6

"A Special Report" by Sylvia L. Mayuga, Part III: "Ours Not to Reason Why"

Text A dozen briefings could not have prepared our fact-finding mission for the first impact of darkened country roads where the necessity of asking a passing farmer for directions was to cause a shiver of fear.

A hundred statements describing the militarization of the countryside could not have softened the shock of a first evening in a deceptively still free-fire zone in Bgy. Puditol, Luna municipality of Kalinga-Apayao with mortar explosions shattering the starry night.

The next day, we discovered that 27 flashlights had been sighted in the rice-fields close by and that the mortar fire was mere military warning to the NPA. The day after that, it was confirmed that those 27 flashlights indeed belonged to the NPA because they had since launched a successful dawn raid of the barangay hospital and made off with medical supplies.

Between the evening of the mortar fire and the morning of the dawn raid, meanwhile, our fact-finding mission had undergone its own share of jungle survival training, traversing a total of 8 kilometers of tropical forest running through three mountain ridges in order to get closer to a bombed out site.

Traveling slowly from inexperience, our motley band had been caught by dusk on the trail. Having been warned earlier by Major Henry Sison of the 186th PC Coy that certain of these mountain trails were laced with landmines and balais, lethal animal traps, and that anything that moved would be shot by either military or NPA after dark, we spent a memorable night on banana leaves under the stars, with fierce ants and resentful insects for company.

"Ganito pala ang buhay ng NPA," sighed the girls.

"O sundalo," answered the boys.

We entered Bo. Bucao of the Isneg valley of Marag in single file, a cultural worker from Tuguegarao holding aloft a white flag devised from the sweaty cotton shirt belonging to a team photographer. One of the five priests in the band shouted "Civilians! Civilians!" as fatigue green crowded our view of the barrio's entrance.

Capt Constante Madriaga of the 17th Infantry Battalion, commanding officer of the two platoons deployed in the barrio, informed us that they were on the 12th day of an operation that would most likely last a month.

They had first come to Marag in February 1985 and had found many "homemade firearms, bullets and subversive documents." By March of this year, 150 families had been "persuaded" to vacate the area, some of them consenting to evacuate to the Luna poblacion, others fleeing to the nearby barrio of Kagandungan.

Bloody tales of this "persuasion" have been reported by certain evacuees who opted for "subversive" Kagandungan where the NPA, says the military, live in three large caves. Besides casual salvagings of farmers innocently coming home from ricefields, initial reports say that the 84-year old chieftain of all the Isnegs of Bos. Bucao, Kagandungan and Calabigan had been hogtied overnight then forcibly carried to the poblacion, far from family members who had opted to stake out in Kagandungan.

As a parting gesture, four carabaos had been shot by the military, say the human rights reports, with three of their heads airlifted away for an unknown reason, the fourth head dumped in the barrio well.

In March, Marag Valley had been declared a "no man's land" by Luna's Sangguniang Bayan, all those who refused to evacuate under the direction of civil and military officials presumed "subversive" and therefore candidates for "sanitation".

By April, Bucao was a ghost barrio, with Kagandungan and Calabigan subjected to bombing and strafing operations. These Capt Madriaga calls "air support", along with the air-dropping of supplies. In this military camp, surrounded as it is by a sea of ripe rice, there is neither time nor freedom to harvest because any moment those fields could spring alive with NPA armalite fire.

So severe is this ironic military existence amid fruit trees, besides the leaping aquatic life of the nearby Marag River, surrounded by a dance of yellow butterflies, that these men of the 17th I.B. subsist on air-dropped rice, tuyo canned food and sometimes, on rainy days when planes cannot fly, a mono-diet of pomelos.

Capt Madriaga admits that mountain-wise NPA resistance has so far been equal to AFP fighting power, even given the "air support." He is also puzzled by demands for an explanation for his own claim that before all these operations, the NPA had already gotten 60 percent of Marag's populace on their side.

But what keeps you going in this war? we insisted.

"Binibilang na lang namin ang pera namin," volunteered one shy young soldier who, minus his full gear, looked no different from the NPA we have met in other mountains.

It was difficult on that bright morning in one of the loveliest spots this writer has ever seen in the Philippines to make sense of abstract concepts and distant battle orders which send simple men like these to kill or be killed by an "enemy" with a proven love of country.

[23 Nov 85 pp 1, 3]

["A Special Report" by Sylvia L. Mayuga, Conclusion: A Spreading Confusion"]

Text Mayor George B. Bargas, M.D. of Luna town, Kalinga-Apayao, with 19 baranggay and hundreds of barrios within his jurisdiction, struck us as a charming but inconsistent man.

He has been mayor here for nearly 15 years and says he believes Marcos will win a hundred percent in a snap poll. This is all right with him, despite the fact that he claims to have spent 77 days in Camps Olivas and Crame right after the declaration of martial law, as an "activist" and a "guinea pig."

Martial law, he says, was declared "because of their own doings," referring to the highest authorities. He says that "we should begin change from below and not from the top."

He seems, however, to be unclear on how low that "below" should go. It was at the level of the Sangguniang Bayan with him at the helm in full commanding presence that four separate resolutions were passed, one last year and three last summer -- one declaring Marag a "no man's land" and all civilians refusing to evacuate, NPA members or sympathizers, another requesting for the deployment of an army battalion from the military high command, another recommending simultaneous air and ground support of "high-powered cannons, mortar, machine guns, bombs (preferably chemical bombs)" to be dropped on "NPA camps and training grounds" in "subversive" baranggays of Marag Valley.

This same man also claims, however, that "We should stop all the logging. Our land is deteriorating, our creeks are being silted." Challenged on the more decisive deterioration of land from chemical bombing, the mayor's tongue is deft. "We changed our mind," is the quick answer.

The mayor also says that "there is enough land for everyone." This is difficult to reconcile with notarized affidavits submitted to our fact-finding mission by human rights groups, claiming that Mayor Bargas "forced both Isneg and Ilocano families to surrender their land titles to him, covering a total of 400 hectares. All these have been turned into a pastureland which Bargas claims sole ownership to."

Mayor Bargas claims further that a hectare of land has been provided in Luna for every evacuee family. Ilocano migrants who were part of the first evacuations this year told a different story.

We spent a full hour extracting an admission from people who were almost too frightened to talk. "We were not given land. We became labor for whoever wanted help. Our share depends on the harvest. We have lost our land."

But the most worrisome contradiction of all comes from a project the mayor is very proud of, the "Luna Crusade for Christ" for which he has enlisted the help of all available religious sects in the municipality, among them the

UCCP, the Aglipayans, the Christ Jesus Holy Church, the Pentecostals and, shades of Mindanao's fanatical groups, the Alpha Omega.

Another Sangguniang Bayan resolution passed on June 3, 1985 invokes "the Miracle of God and His Omnipotent Supreme Power over everything in the Universe" as well as a series of biblical quotations like the famous Romans 13:1-7 recommending obedience to governing authorities.

What light or darkness does this shed over another version of Luna's state of soul under George Bargas, coming from a missionary congregation based in Manila, that says that the notable absence of a Catholic priest in Luna comes not from a lack of personnel but from two unhappy incidents with the mayor as suspected mastermind?

One was when a Catholic priest was rendered amnesiac by a nasty fall outside a window after being pushed by an unknown assailant. The other was his successor being forced to run for his life under military threat allegedly instigated by the mayor.

Truth from a politician's merrily tripping tongue is as elusive as the wild doves of frontier country. Sometimes it is better to listen to the simpler military mind.

Last stop, a courtesy call which turned into a dialogue with officers of the Recom 2 PC headquarters in Tuguegarao.

Did you know that Luna town passed a resolution for bombing Marag Valley? asked members of our mission.

"We don't even have copy of those resolutions!" answered Col Eduardo Batalla.

"We are not sanctioning those resolutions," corroborated Mayor Jose Dalumpines, "We have a guidance here. We are not supposed to declare a 'no man's land.' We are not supposed to implement any of these resolutions without the approval of the provincial board."

What about the chemical bombs? we pursued.

"I think we should be against the use of chemical bombs," answered Col Batalla, "the lower levels cannot decide that. Only the highest decisionmaking bodies can. Maybe the President. Hanggang teargas lang kami. Masyadong mahal ang bomba. Naghihirap na nga kami. Kulang maski bala."

What about the hamletting, the forced evacuations? we persisted.

"Forced evacuations are against the law," declared Batalla categorically.

Back and forth went the questions and answers until, with a sigh, Col Batalla said reflectively, "The best solution is let us work together in bringing justice to our country. It is true that some of our soldiers are illiterate. They are underpaid and under-educated. These conditions are conducive to military abuses.

"Many of us are working first for gainful occupation and second for love of country. This is our job! In this sense, I really admire the NPA. They are not working for a salary. How can we fight an enemy who is fully motivated?"

As preconceived notions and prejudices inherent in human rights groups wobbled in their nests, there came the punchline from Col Batalla.

"Siguro," he said slowly, "paghati-hatian na lang natin ang hidden wealth, o kaya pambayad natin sa utang ng bayan, ano?" With the unexpected laughter in the room hovered two questions, however. One, who's going to lay down their arms? Two, will the imperial masters let them?

Meanwhile, dying such as we have never seen before goes on.

/12851
CSO: 4200/370

PHILIPPINES

MILITARY WARNED AGAINST 'UNUSUAL' PROCEDURES

Manila BULLETIN TODAY in English 30 Nov 85 pp 1, 13

[Article by Jose De Vera]

[Text]

Lt. Gen. Fidel V. Ramos, acting Armed Forces chief of staff, ordered a crackdown yesterday on military procurement officers and other personnel whose "unusual interests" in the purchase of needed supplies have resulted in "red tape" and in the "high cost" of delayed deliveries of supplies.

In a directive to the commanders of the four major services, Regional Unified Commands, PC-INP regional commanders, and commanders of specified commands and

separate units, Ramos said that "certain anomalous practices are insidiously creeping into the procurement system in violation of existing policies and procedures."

He also noted that some relatives and close friends of AFP personnel were intervening in behalf of dealers and suppliers to get preferential attention or exerting pressures in the acquisition of contracts or purchase orders, the processing of these procurement documents, and the payment of these

procurement transactions.

He said that aside from giving rise to adverse criticisms, these practices, clearly violate the Anti-Graft and Corrupt Practices Act which prohibit a public official from "taking advantage of his official position, directly or indirectly, in giving any private party any unwarranted benefit, advantage or preference in dealing with the government."

Ramos noted the tendency of some procurement agencies to subtly circumvent the government's policy on direct procurement from manufacturers.

He stressed that direct purchases from local manufacturers should be given priority rather than resorting to procurement from intermediaries by ordering small quantities in a series of transactions in order to circumvent existing policy guidelines.

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CSO: 4200/428

PHILIPPINES

GROUP ASSAILS PRESENCE OF NUCLEAR-ARMED SHIP

Manila BULLETIN TODAY in English 28 Nov 85 p 10

[Text]

The presence on Philippine waters of the nuclear-armed carrier USS Kitty Hawk was assailed yesterday by the Anti-Bases Coalition (ABC) of the Philippines through its chairman Justice Jose B.L. Reyes.

The USS Kitty Hawk reportedly arrived in the country with a flotilla of 15 ships last Nov. 25.

The ABC said in a statement that all United States aircraft carriers are armed with nuclear weapons and the USS Kitty Hawk is no exception.

"Nuclear weapons are a threat to the lives of people everywhere. The presence of the Kitty Hawk endangers the lives of all Filipinos," the group said.

It demanded the immediate departure of the USS Kitty Hawk and its flotilla and the withdrawal of all nuclear weapons stored in

US bases.

The US bases themselves, through their storage of nuclear weapons and servicing of nuclear-capable and nuclear-armed ships, pose constant threats to the very survival of the Filipino nation, the ABC said. For this reason, the coalition urged the immediate and unconditional removal of US bases from Philippine soil.

ZAMBOANGA CITY

The Navy's Sealift Amphibious Command (SAC) will transport more Marines and Army troops here to support counter-insurgency operations.

In a turn-over command ceremony of Navy ship BRP Lanuza del Sur (LST-601), Capt. Ruben de la Cruz, SAC commander, said the move was part of a program to efficiently and effectively carry out military missions, especially in the South.

De la Cruz cited the need to boost military capabilities to be able to

implement strict law enforcement and ensure peace and order condition.

Although rebel operations have expanded in some parts of the country, he said these are still under control.

The troops will also help in various civic action projects of the government such as what the Seabees group, Naval Construction Brigade under Capt. Domingo Salupan has been doing, in order to gain people's support.

The SAC, in charge of transporting government equipment and cargo to the provinces, will take part in protecting the country's waters in Mindanao against foreign intrusions, De la Cruz said.

The command is expected to add more landing ship tankers to areas where military support is needed. Some troops will also be transported to Cebu, Cotabato, Sulu, Cagayan, Tawi-Tawi, and Basilan (W. Yanson).

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CSO: 4200/428

PHILIPPINES

MORE TROOPS REPORTED MOVED TO QUEZON

Manila BULLETIN TODAY in English 23 Nov 85 pp 1, 13

[Text]

CALAUAG, Quezon — President Marcos has directed Brig. Gen. Roland I. Patuggalan, 2nd Infantry Division commanding general, to send reinforcements to Quezon province to augment the 3rd Infantry Brigade in its counter-insurgency operations in the Bondoc Peninsula area.

Military sources here said Army soldiers have also been ordered by the regional unified command headquarters in Lucena City to take command of the anti-dissident drive in the entire second district of Quezon province, including 12 towns in Bondoc Peninsula.

Earlier, Lt. Gen. Fidel V. Ramos, acting Armed Forces chief of staff, had placed all military units in Quezon province on red alert following reports that many towns will be attacked by rebels.

Last week, rebels attacked the town hall,

an oil mill, and the PC detachment in Mulanay town.

In his directive, Ramos said that the Constabulary will support the Army soldiers while in stationary position in the town proper to maintain peace and order.

Sources said that the President ordered Patuggalan to send one battalion of the 1st Metro Brigade to support the mobile force of the 3rd Brigade which has launched military operations against NPA rebels in Bondoc peninsula.

Brig. Gen. Andres R. Ramos, RUC-4 chief, directed Col. Alejandro A. Galido, 3rd Brigade, 2ID, PA, commander yesterday to place the entire second district of Quezon province under his control and launch full-scale military operations in Bondoc Peninsula.

At present, the 3rd Brigade has operational control in the towns of Lopez, Buenavista, Tagkawayan, Guinayangan, and this town.

With the support of the new troops, the towns of Atimonan, Gumaca, Platina, Alabat, Perez, Queman, Apulangan, Unisan, Pinge, Gen. Luna, Macalelon,

Catasauan, San Narciso, Mulanay, San Andres, and San Francisco (formerly Aurora town) will be under the supervisory control of the 3rd Brigade, 2ID, PA, with headquarters at barangay Sta. Maria, this town (Gen. Jovinal).

PAGADIAN CITY — A commander of the New Peoples Army (NPA) platoon unit and four of his followers were killed and several others were reported wounded in a gun battle with government troops last Wednesday in barangay San Isidro, Calamba town Misamis Occidental, it was learned yesterday.

Brig. Gen. Ernesto Maderazo, commanding general of the 3rd Infantry Brigade identified the slain rebel leader as Alan Cautumban, 26, alias Commander "Alan."

Gen. Maderazo, was at the head of an Army team from the 9th Infantry Battalion and a Civilian Home Defense Force (CHDF) unit, on a patrol mission when he encountered 15 members of the NPA liquidation squad.

A running gun battle followed, resulting in the killing of the dissident group leader and four of his men. (TPB)

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CSO: 4200/428

PHILIPPINES

MALAYA EDITORIAL WELCOMES CHARGES AGAINST TATALON MARINES

Quezon City ANG PAHAYAGANG MALAYA in English 28 Nov 85 p 4

[Editorial: "Good News"]

[Text]

Every once in a while we come across some bit of news that does the heart good. One of these is the report about the outcome of what is now the infamous Tatalon carnage which uselessly claimed the lives of two young people and spawned so much ill-will between a branch of law enforcers and the people.

Now it has turned out that the government is not completely blind or impervious to the abuses of its minions. In a surprising development, 13 members of the Philippine Marines were charged the other day before the Metrocom Staff Judge Advocate's Office for homicide in the death of 12-year-old Mary Grace Cruz during the violent demolition and dispersal in Tatalon last July, which saw armalite-wielding Marines from the Presidential Security Command on a shooting rampage to rid it of squatter residents and pave the way for the possession of its influential owners.

If any government action can possibly regain an insignificant amount of credibility that many Filipinos thought had already been irretrievably lost by the regime, this could be it. For a time, nobody even thought that the perpetrators of the dastardly deed could ever be brought before the bar of justice, for the powerful in this government, from widespread belief, has always been beyond the pale of the law. Thus, for many citizens, the report that the alleged culprits must face the music, in a manner of speaking, causes a most pleasant surprise. Somehow, too, it allays a long-standing fear that against the powerful, human rights in this country is as extinct as the dodo.

Plus the other investigations on the abuses of the military and the civilian enforcers which have already reached the courts for decision, the regime might yet score an appreciable batting average in its campaign against the scalawags

masquerading as agents of the law. If action is indeed more compelling and credible than words, it should be no specially difficult matter for the government to convince the civilian population that it remains their guardian and protector and, in the process, regain, however slowly and painfully, the lost confidence and trust of the people.

There is only one fly in the ointment: why only the small fry get it in the neck, while those who gave the orders, on whose shoulders the larger blame of responsibility ~~should~~ fall, always manage to get away. Are the scales of justice weighed in their favor?

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CSO: 4200/428

PHILIPPINES

NPA ACTIVITIES IN ANGELES CITY REPORTED

Quezon City ANC PAHAYAGANG MALAYA in English 29 Nov 85 p 9

[Article by Elmer C. Gato: "Notes From Pampanga"--"NPAs Getting Bolder"]

[Text]

Angeles authorities are girding for more liquidation and arms grabbing operations from the New People's Army, military arm of the outlawed Communist Party of the Philippines (CPP), after two government security personnel were killed in a flare up in rebel activity here during the past two weeks.

Last Nov. 21, Cpl. Job Pedad, 37, of the Angeles Metropolitan District Command (Metrodicom) was shot dead by still unidentified gunmen believed to be NPA partisans along Manuel L. Quezon St. here. Pedad sustained a bullet wound in the lower jaw and died instantly. His assassin took with them his .38 caliber revolver.

Ten days earlier, an Army enlisted man was killed by three members of the dreaded Sparrow Unit, liquidation component of the NPA, along busy Sto. Rosario St. here in full view of rush-hour commuters. The fatality, identified as Pfc. Angelito Gomez, 29, of Bamban, Tarlac was waiting for a passenger vehicle near the Holy Angel University, some 50 meters away from Angeles police station when he was shot at close range. The suspects fled casually away from the scene after divesting the fallen trooper of his M-16 Assault rifle and his .45 caliber

pistol.

Last January, rebels operating out of Pura town shot and killed a PC trooper in a restaurant at the Nego Mart complex and made off with his service rifle. It was followed by the daylight shooting of a rebel-surrendered-military-informer along downtown Angeles in April and that of three others including the principal suspect in the summary slaying of three Lakbayan marchers near a police detachment in May. The last NPA liquidation job took place September when a military informer was felled by partisans in front of the Angeles University Foundation compound here.

In all instances, the perpetrators managed to make good their escape.

Local observers have postulated that the resurgence of NPA activity in the city are only retaliatory tactics being employed to make up for previous reverses. An aggressive military campaign during the past months yielded what the military claims 12 high-ranking rebels operating in the Metrodicom areas of Angeles and neighboring Pura.

But unless a visible and effective response is undertaken, then we just can very well expect more NPA operations to come.

During a permitted protest staged

by about 100 League of Filipino Students (LFS) members in front of Camp Oliver in San Fernando last Nov. 21, military authorities, in an unexpected move, came up with a megaphone and gave protesters a sampling of the Filipino ideology. Col. Rey Cabauatan of the Regional Unified Command lashed at the so-called "trolls" confronting Philippine society and vowed to exert efforts in curbing the abuses and excesses of government in his several-minute address. It just couldn't be known at the moment on whether the students took him seriously or not.

While preparations were being made for the founding congress of the Bagong Alyanang Makabayan (Bayan-Pampanga) last Oct. 30 at the St. Scholastica's Academy in San Fernando, a military helicopter reportedly hovered atop the congress site and landed at a nearby vacant patch and stayed there for several minutes. This was in full view of some 40 people busy with congress preparations. The chopper lifted off after several minutes towards the direction of Angeles City. Concoction or plain and simple harassment? No one knows for sure.

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CSO: 4200/428

PHILIPPINES

MALAYA BUSINESS WRITER HITS OPPOSITION ON ECONOMY REFORM

Quezon City ANC PAHAYAGANG MALAYA in English 27 Nov 85 p 7

[Article by Jake Macasaet in the "Business Views" column: "The Opposition All Conservatives"]

[Text]

It is amazing how the Opposition has persistently refused to take up the issue of market reforms demanded not only by the International Monetary Fund and the World Bank but — though silently — by a great majority of businessmen. Doesn't the Opposition realize that Filipinos prefer economic reforms over democracy they all want restored? Our guess is that the Opposition refuses to tangle with President Marcos on the issue because they, too, are all well-to-do conservatives.

If they are conservatives, then they themselves might have frustrated the desire for economic reforms on which very same issue President Marcos anchored his early political success. If there is logic in this proposition, it would be reasonable for the great mass of voters to expect a new face, and but there are very few available.

Any face in the extreme Left is out of the question. Granting that it could be true that President Marcos might no longer be enjoying the support of the United States, that support would be restored to him if only to

prevent a Left takeover. The way of the Left is revolution. And we are not prepared for that. Never mind Washington.

Is Cory Aquino a new face? She is. But she is also rich. Whether she is conservative or not may not be proven yet, precisely because she is a new face in politics. But definitely — considering the Filipino culture — she could draw support from her own tragic past. In fact, her supporters could build of her an image that she represents a new generation which does not place importance on personal interests.

The Opposition has been immobilized by one single fatal factor: disunity. President Marcos finds it unnecessary to disable his opponents. They are disabling one another. Cory Aquino can emerge unscathed out of the ashes of this disunity and disclaim any relationship with any of the traditional politicians, conservatives all.

The argument against the widow of Benigno Aquino Jr. is that she is unprepared to run the affairs of a troubled nation like the Philippines. Hardly any voter took Macapagal for an intelligent

or experienced man when he was elected President in 1953 against the seasoned and now well-liked former President Elpidio Quirino. What we need is a glue which will band us together again, like Macapagal did. Cory could be that glue.

The fragmented Opposition has not said much about the fact that the major business establishments and the marketplace are now nothing more than skeletal forms of their former selves. Which leads the more intelligent voters to suspect that the silence deliberately results from the fact that the democratic Opposition are all conservatives and still considerably wealthy.

Who among more than 50 Opposition lawmakers ever bothered to take up the cudgels for the flour milling industry when the National Food Authority was emasculating it? No one. LMG Chemicals now claim that if Unichem is allowed to impose its own fatty alcohol on the domestic market, prices of detergents will go up by an estimated 43 per cent. The Opposition which claims to have the interest of the consumers at heart has not said one word about the issue.

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CSO: 4200/428

PHILIPPINES

BRIEFS

COMMODITY PRICE INCREASES--Market surveys reveal price increases in a number of foodstuffs just before Christmas. For instance, the price of chicken went up to four pesos a kilo, which market vendors attribute to the consumers' newfound penchant for roast chicken. Refined sugar now costs 7.80 pesos as compared to the previous price of 7.50 pesos, while brown sugar went from 5.50 pesos to 5.70 pesos a kilo. Bangus [a kind of milkfish] increased at an average of 5 pesos, that is, from 30 pesos to 35 pesos, for big ones. The price of galunggong [big-bodied round scad] went from 25 pesos to 30 pesos last month. Meanwhile, Deputy Revenue Commissioner Tomas Toledo announced that implementation of a new sales tax system next year will spark price increases for basic commodities. However, Toledo added that price increases will not be drastic for fear that it will slow down domestic demand. The new sales tax rates are as follows: 10 percent for basic goods, 20 percent for semiprocessed goods, and (16) percent for finished products. The new rates take effect on 1 January 1986. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 13 Dec 85 HK] /12913

RADIO BEIJING NEW YEAR'S MESSAGE--The following is the translation of a message from Radio Beijing's director (Cui Yiling): As we leave 1985 behind, we look forward hopefully to 1986. On behalf of Radio Beijing, we send you greetings for the new year. We hope the coming year will bring you further success, and health and happiness for you and your families. We also hope to continue receiving your letters during the coming year. Last June, we celebrated an important page in the history of Chinese-Filipino relations: the 10th anniversary of the establishment of diplomatic relations between our two countries. The past period has seen the strengthening of this long-standing friendship that we believe will continue in the years to come. We have received many letters from you, our listeners in the Philippines, as well as from other places that Radio Beijing's Philippine service reaches. We give you our heartfelt thanks for your patronage and support of our program. It has been an inspiration for us to hear from you and it makes us more determined to continue our program in order to serve you. Let me end by thanking you all very much and wishing you happiness and success in the new year 1986. [Text] [Beijing International Service in Tagalog 1130 GMT 31 Dec 85 HK] /6091

CSO: 4211/18

SINGAPORE

SEMICONDUCTOR MARKET SHRINKS

Kuala Lumpur BUSINESS TIMES in English 17 Dec 85 p 1

[Text] THE semiconductor industry in Singapore has failed to keep pace with the strong growth in world demand over the past six years, resulting in the country's share of world output falling to 4.3 per cent last year.

Though the share is still impressive for a small country, it represents a sharp fall of 0.7 percentage point last year alone, the strong 25 per cent increase in output in the industry that year being outpaced by a massive 48 per cent growth in world output.

The Economic Development Board, in a review of the semiconductor industry, said: "Indeed, Singapore's share has been sliding over the preceding five years as growth, though substantial at 16 per cent per annum, was in the context of a much higher 29 per cent per annum worldwide."

But domestically, the statistics are positive. Domestic exports of the semiconductor industry as a share of total exports have been rising.

Last year, semiconductor exports totalled \$62.8 million or 5.4 per cent of total domestic exports compared with \$43.2 million or 4.8 per cent respectively in 1983.

Last year, Singapore was probably the fourth largest producer in terms of output and only next to Malaysia as the largest exporters of semiconductors in the world, the EDB said.

It estimated that to maintain that 4.3 per cent share, that is, to keep pace with the forecast of an annual growth of 17 per cent annually, Singapore will have to attract \$3 billion in fixed investment every three to four years.

This amount is almost equal to the total investment committed by the 17-year-old industry in the past 10 years. About a

third of the investment, \$6388 million of \$3948 million, was made last year when world demand boomed.

But further investment commitment may not be easy to come by. The EDB observed that the trend in the industry is to invest where the major markets are so as to establish a stronger hold in the marketplace. Thus, in the past five years, Japanese investments were diverted from South-East Asia back to Japan, the US and West European markets. Likewise, American investments were drawn to Japan and Western Europe. — BT Singapore

CSO: 4200/504

THAILAND

DEPUTY FOREIGN MINISTER ON JAPAN TRADE TALKS

BK271001 Bangkok Domestic Service in English 0000 GMT 27 Dec 85

[Text] Deputy Foreign Minister Praphat Limpaphan said the latest round of Thai-Japanese talks to restructure bilateral economic relations produced a positive response from Japan. Speaking upon his return from Tokyo this week for trade talks with Japanese officials, Sub-Lieutenant Praphat said the outcome of the talks was considerably far more positive for the Thai side than both parties had at first expected.

He said that the Thai side told the Japanese representatives that the chronic trade deficit between the two countries was attributable to the imbalanced economic structure. He pointed out that 80 percent of imports from Japan are capital and intermediate products. At the same time, most Japanese investments in Thailand are in the form of import substitution.

Deputy Foreign Minister Praphat said during this round of talks the Japanese side also offered Thailand some concessions voluntarily. The Japanese delegation was headed by Japanese Foreign Minister Shintaro Abe. The meeting took place during 17 to 18 December at the official's level while the ministerial discussion took place from 20 to 21 December. Deputy Foreign Minister Praphat added that the details of the negotiations will be submitted to Deputy Prime Minister Phichai Rattakun, chairman of the Committee to Restructure Thai-Japanese Economic Relations.

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CSO: 4200/470

THAILAND

CARTOON LAMPOONS CAMBODIA 'COCKTAIL PARTY' IDEA

Bangkok LAK THAI in Thai 19 Dec 85 p 10

[Cartoon]



/6091
CSO: 4207/114

THAILAND

ARMY TO TURN KMT VILLAGES OVER TO PROVINCES

BK290154 Bangkok THE NATION in English 29 Dec 85 p 2

[Text] A military task force formed last year to control Chinese Haws and former soldiers of the Kuomintang's [KMT] 93rd Division said yesterday that it would hand over 13 villages to northern provincial administrations next year.

Task Force 327 Commander Col Anan Bamrungproek told THE NATION that his task force conducted a census of the 13 villages straddling Chiang Mai, Chiang Rai and Mae Hong Son in the middle of last year.

The population in the villages is about 15,000, he said.

The census was ordered by the Cabinet, which empowered the task force to re-organize the village administration and turn it over to the three provinces. The Cabinet resolution reached on June 12 was an endorsement of a package proposed by the National Security Council (NSC) to "Thai-ize" the villages.

NSC Secretary General Squadron Leader Prasong Sunsiri visited Chiang Mai in the middle of this month and called a meeting of officials to accelerate implementation of the Cabinet resolution. He went there to study the status of official efforts to assimilate the villagers and the obstacles to the effort.

Col Anan said that officials of his task force, which is in charge of minority groups along the borders with Burma and Laos in the North, had re-organized the village administration.

The task force had turned over schools in the villages to the National Primary Education Office, he said.

Although the task force faces financial difficulties, it had achieved the targets, he said.

Nonetheless, the provincial administrations were not ready to take charge of the 13 villages, he said.

Col Anan asserted that after the task force moved into the villages, the armed minority forces were not able to maintain their control over the villagers.

The government move last year to re-organize the villages was aimed at eliminating the influence of the ex-KMT forces, who are involved in drug trafficking. The task force was formed to take over jurisdiction of the area from the Supreme Commander.

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CSO: 4200/470

THAILAND

EASTERN SEABOARD PROJECTS GIVEN GO AHEAD

BK271156 Bangkok BANGKOK POST in English 25 Dec 85 p 1

[Text] The Eastern Seaboard Projects will go ahead in its entirety, the Cabinet decided yesterday.

Cabinet ministers, after delaying a decision for a week, decided to press on with the program after spending about four hours in debate.

"There will be no delays, cutbacks or slowdowns. The projects will go ahead as scheduled," said Deputy Finance Minister Suthi Singsane, a member of the three-man ad hoc committee responsible for reviewing the seaboard projects.

The decision also means no cuts will be made in funds to be allocated for the projects from the \$1,000 million external debt ceiling set for next year by the Government in late October.

Director of Policy and Planning of the National Economic and Social Development Board Dr Sawit Phothiwihok welcomed the decision, saying it would erase all doubts among local and overseas investors.

The Government had been under pressure from local land speculators and investors to proceed on the issue.

Japanese contractors were understood to have lodged complaints with Japan's Overseas Economic Cooperation Fund and their embassy over the possibility of a slowdown.

Before yesterday's Cabinet decision, doubts were raised over the future of four key elements in the eastern seaboard program.

They were the Map Ta Phut sea port (\$74.6 million), Map Tap Phut industrial estate (\$14.6 million), Laem Chabang sea port (\$57.1 million), and Laem Chabang industrial estate (\$13.6 million).

The government review of these projects was made amid growing concern of the high debt ceiling and debt service ratio the country would face.

Minister Suthi said the committee, made up of himself, PM's Office Ministers Michai Ruchuphan and Flt-Lt Suli Mahasantha, presented their report and answered questions from Cabinet members.

He said the Cabinet considered the benefits the country will derive from the projects, the economy's ability to shoulder the burden of the \$1,000 million loan and the political effects of its decision not to proceed.

The Cabinet decided the National Fertilizer Corporation project and the Map Ta Phut projects should proceed because a great deal of work and preparation had been put into them. These were basic infrastructure projects which would create employment.

Commenting on the National Fertilizer project, Minister Suthi said the Cabinet felt it should proceed because the private sector had invested in it, and not the Government.

Mr Suthi said the Government's role in the project was to promote it.

Although the Laem Chabang sea port and industrial estate were not in as advanced a stage as the fertilizer project, the Cabinet agreed that they should continue, he added.

Dr. Sawit, who attended the Cabinet meeting, said Prime Minister Prem Tinsulanon, who said on Monday he would make a final decision on the issue himself, asked for the views of all Cabinet members.

No one can say that they did not have a chance to express their views, Dr Sawit said.

Mr Suthi said the Cabinet looked into all issues, particularly whether the country can shoulder the \$1,000 million external debt ceiling approved earlier this year by the Cabinet.

Finance Minister Sommai Huntrakun said the country should have no problem shouldering the amount.

Asked if politics and pressure from investors played a role in the Cabinet's decision, Mr Suthi said the Cabinet was not afraid of protests. It had made its decision because the Government had invested a great deal in the projects, he added.

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CSO: 4200/470

THAILAND

OFFICIAL ON 1985 ECONOMIC GROWTH, 1986 FORECAST

BK300229 Bangkok THE NATION in English 30 Dec 85 pp 1, 2

[Excerpt] The country's economic growth for 1985 which is coming to a close tomorrow is 4 percent, a significant drop from last year's 6.2 percent, the country's economic planning agency announced yesterday.

The National Economic and Social Development Board [NESDB] also predicted that 1986's economic growth rate will be similar to this year's level of 4 percent a more optimistic figure than the forecast of 3.2 percent by Thailand Development Research Institute (TDRI) and slightly lower than Bank of Thailand's 4.2 percent prediction announced two weeks ago.

External factors, including low growth rates in industrialized countries and growing global trade protectionism as well as the fluctuating U.S. dollar, have been cited as some of the major reasons for Thailand's low economic growth for this year.

Secretary General of the National Economic and Social Development Board (NESDB) Dr Sano Unakun, said internal factors that contributed to the low growth rate included trade, current account, and budget deficits which had accumulated over the years.

The overall economic performance for 1985 has been marked by a general slowdown. The agricultural sector registered a growth rate of 2.3 percent, a slight decline from that in the previous year. Hard hit were rice, maize, rubber and sugarcane.

The industrial sector reported a growth rate of 2.4 percent, also a drop from that of the previous year, due partly to the world's economic slump and also the lower purchasing power in the country. Significant declines were reported from such consumer products as liquor, beer, steel and cement, etc...

Dr Sano said that despite the low economic growth rate, the country's overall economic picture remains "reasonably stable," especially in terms of price levels which rose by only 2.2 percent, which was a "reasonable" inflation rate that didn't affect the general public to any significant extent.

He reported that earlier in the year, a tight-money situation prevailed, with the ratio between loans and deposits rising from 94.83 percent at the end of 1983 to 97.85 percent in February, this year -- due to the appreciation of the U.S. dollar, and the high degree of repayment of foreign loans.

The dollar weakened towards the end of the year, prompting the private sector to bring in more foreign funds instead of borrowing from local commercial banks.

Sano said tax collection produced revenue lower than the targetted amount, pushing the fiscal deficit to rise by 36 percent compared to that of last year abolition of taxation on certain items had also deprived the government of about 4,000-5,000 million in revenue.

The government moved to offset the deficit through internal borrowings -- at a level higher than the deficit itself. That caused the official reserves as of the end of September to go up to 12,383.1 million baht, representing a 67.4 percent increase from that of the previous year.

Sano also reported a major drop in investments of 1985. During the first nine months of this year, the number of new industrial factories that started up operations went down by 4.8 percent. In the government sector, various new projects have been slowed down -- and only ongoing schemes were permitted to continue.

During the 11-month period of 1985 total exports were 174,882 million baht or about \$6,433.7 million, down by 4.5 percent in dollar terms. Imports during the same period amounted to 233,990 million baht or \$8,609.2 million a decline by 9.8 percent.

"That pushed down the trade deficit by 9.8 percent in terms of baht or 22.6 percent in terms of dollar," he said.

Sano said that the total trade deficit for the year should be around 63,000 million baht, down by 8.4 percent from that in the previous year in terms of baht or \$2,297.6 million representing a 21.2 percent drop in dollar terms.

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THAILAND

BRIEFS

RANGERS KILLED--Army Secretary Major General Narudon Detpradiyut reported that two Thai soldiers were killed and five wounded by land mines planted by Vietnam. The soldiers were on patrol along the Thai-Cambodian border area over the past 4 days. On 19 December two Thai rangers, But Singkha, and Nikun Romchiam, were killed and two other soldiers were wounded while the Suranari operation unit was on patrol at the border Area near Chong Taphet, Ban Bang Ranae, Lahansai District, Buriram Province. Later on, three members of a Burapha Force patrol team were wounded by land mines while they arrived at border mark 29 in Ta Phraya District, Prachin Buri Province. The three are: Captain Mongkhon Khotkaeo, Sub-lieutenant Santhan Manamongkhon, and Ranger Sawai Thongtha. [Text] [Bangkok Voice of Free Asia in Thai 1030 GMT 24 Dec 85] /12640

MINE-CLEARING OPERATION--Colonel Chalong Chotikham, chief of staff of the Burapha Force, reported on the operations to clear land mines and bobby traps planted by Vietnam carried out 1 October-14 December. According to him, the 902d Infantry Battalion found 1 M 59 land mine, 7 nonmetallic anti-personnel mines, 2 MT 46 antitank mines, 3 M 46 hand grenades, 638 TNT 6 M mines, 5 grenades with wooden handles, 5 MBG antipersonnel mines of 78 A 2 type, 4 OZM 3 mines, 2 POMZ 2 B antipersonnel mines, and 6 M 14 nonmetallic antipersonnel mines. As a result of the mine sweeping operations in the period mentioned, one soldier was killed and nine wounded; one border patrol police official was killed and six wounded; six Army rangers were wounded; and two civilians were killed and five wounded. [Text] [Bangkok Voice of Free Asia in Thai 1030 GMT 26 Dec 85] /12640

AGREEMENT SIGNED--Thailand and the Soviet Union will sign the third Chamber of Commerce and Industry agreement in Bangkok in February. The Soviet Union's trade commissioner in Thailand, Yuriy Mikhaylov, said the agreement will cover 1986 to 1988. The two countries signed an initial agreement in 1979 and a second one in 1982. Mr Mikhaylov said the Chambers of Commerce in both countries have set up a working program aimed at boosting bilateral trade, with emphasis on exchanging trade and industrial exhibition in Thailand in November 1986. Mr Mikhaylov, envisaging bright prospects for increased bilateral trade, urged Thailand to buy more from Moscow because of the growing trade deficit that the Soviet Union suffered with Thailand in recent years. [Text] [Bangkok Domestic Service in English 0000 GMT 30 Dec 85 BK] 12624

CSO: 4200/470

PEOPLE'S REPUBLIC OF KAMPUCHEA

PRACHEACHON HAILS 7 YEARS OF 'ALL-SIDED' SUCCESS

BK040514 Phnom Penh SPK in English 0438 GMT 4 Dec 85

[All quotation marks as received]

[Text] Phnom Penh, January 3 (SPK)--The entire party, the entire people, and the entire Army of the Young People's Republic of Kampuchea review with joy the all-sided revolutionary achievements obtained in the past seven years and are looking forward to new, greater victories in 1986, the first year of the implementation of the resolution of the fifth party congress, editorializes the biweekly "PRACHEACHON" (People) in its current issue.

The paper says: "The achievements in national defence and construction last year greatly contributed to strengthening the new regime in which the people are the real master of their country.

The victories of the People's Revolutionary Armed Forces of Kampuchea and the Vietnamese volunteer army in the 1984-85 dry-season and the whole of 1985 weakened the enemy to a great extent. At the same time we firmly consolidated revolutionary power at all levels thereby foiling all enemy schemes on the whole of the national territory. In the light of the six-point clemency policy, thousands of people misguided by reactionary propaganda broke with the enemy and rallied to the revolution for a new life with their families. Those were hard blows to the Pol Potists and their associates."

The paper continues: "A brilliant success of the fifth party congress held in Phnom Penh last October was the definition of the strategic tasks in the new stage of revolution: to firmly safeguard national independence to take the country through transitional steps to socialism. The election of the new party Central Committee was another success of the revolutionary movement the past seven years for the interest of the nation and the prosperity of the people. All cadres and combatants must do all they can to fulfil these tasks under the party's leadership, in the spirit of national unity and international solidarity, especially solidarity with Vietnam, Laos, and the Soviet Union and other socialist countries, and with all progressive people in the world, to obtain new, greater victories in national defence and construction."

The new year demands greater effort to cope with new tests. We have gained many victories in the past 7 years and we will certainly record more brilliant victories this year," the paper stresses.

PEOPLE'S REPUBLIC OF KAMPUCHEA

CHEA SOTH ADDRESSES INDUSTRY MINISTRY'S MEETING

KK030528 Phnom Penh SPK in English 0456 GMT 3 Jan 86

[Text] Phnom Penh, January 2 (SPK)--The Ministry of Industry has just held a year-end meeting for handicrafts and industry. At the four-day meeting the participants evaluated industrial development in 1985 and set the tasks for 1986.

They decided to award the rotary banner of the Council of Ministers to nails factory 3 in Phnom Penh and to the light industry handicrafts service of Battambang Province for their outstanding achievements in 1985. The Council of Ministers also issued congratulatory certificates to three units and six individuals and congratulatory letters to two other units and four other individuals.

Che Soth, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and vice premier and minister of planning, told the participants of the importance of 1986 as the first year of the first 5-year programme for socio-economic rehabilitation and development (1986-1990). Difficulties are expected, but the success will bring about essential changes in the following years, he said.

Che Soth asked cadres and workers to improve their managerial capabilities and upgrade economic cooperation with fraternal socialist countries, particularly with Vietnam.

He said industrial crops must be grown more extensively to feed factories.

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CSO: 4200/494

PEOPLE'S REPUBLIC OF KAMPUCHEA

MEAN SAM-AN, CHEA SIM AT WOMEN'S CONFERENCE

RR301254 Phnom Penh SPK in English 1111 GMT 30 Dec 85

[Text] Phnom Penh, December 30 (SPK)--The Association of Revolutionary Women of Kampuchea has just held an annual meeting to review its activities and to set new tasks for next year.

A report presented at the meeting by Mean Sam-an, member of the Central Committee of the People's Revolutionary Party of Kampuchea and president of the Association, highlighted the achievements made by women in agricultural production, in political proselitizing and in national construction and defence.

This year, according to the report, 745 women have joined in winning over 1,681 misled people who brought along 1,166 guns.

Membership of the association has increased by 201,479 totaling 1,510,243.

Addressing the meeting Chea Sim, Politburo member of the KPRP Central Committee and chairman of both the National Assembly and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland, hailed the great achievements recorded by the women in the past years and asked the association to step up its activities.

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PEOPLE'S REPUBLIC OF KAMPUCHEA

ANNIVERSARY OF YOUNG PIONEERS ORGANIZATION HAILED

OW011435 Phnom Penh SPK in English 1100 GMT 1 Jan 86

[Text] Phnom Penh, January 1 (SPK)--Today the entire Kampuchean people celebrate the sixth anniversary of the Young Pioneers Organization. The significance of the event is enhanced by the Kampuchean Revolution's steady development and growing success in all fields and by the enthusiasm with which the entire people are carrying out the resolution of the fifth party congress.

Children are the future masters of the country. The Young Pioneers Organization is a revolutionary organization nurtured by the People's Revolutionary Party of Kampuchea. The education and the care of the children is one of the biggest concerns of the entire party, as clearly said in the resolution of the fifth party congress: "To care for and educate the children is a common task of the party, the state, the mass organizations and the whole society, and the direct responsibility of the People's Revolutionary Youth Union. The youth and children must be educated in the love of the fatherland, in the loyalty to the People's Republic of Kampuchea, and in the visceral hatred for the enemy. We must inculcate into them the sense of being the future masters of the country and motivate them to study hard and well carry out the 'three-good movement' with practical, suitable activities."

Thanks to this just policy of the party, the education of children has obtained remarkable results in the past seven years, in line with the objective of forming new, socialist-type of people capable of defending and building the country. Consequences of the genocidal regime on the children have been completely eliminated. Deprived of food, separated from their parents, forced to hard labour and savagely tortured, children once even forgot to smile. Now they stand as tall as life, their laughter can be heard everywhere, in orphanages, in the villages, at schools.

This year, school intake has increased to 1,800,000, and some 340,000 of the pupils are members of the Young Pioneers Organization. Pre-school education is being given to 43,000 children, a thing unheard of under former regimes. All this is a miracle, a miracle of the Kampuchean revolution which is acclaimed by all well-meaning people in the world.

Internationally, the Young Pioneers Organization of Kampuchea is member of the International Committee of Children and Youth Movement (CIMEA). The

friendship and solidarity between Kampuchea children and children in the socialist countries are strengthened and consolidated every day. Through their international activities Kampuchean children have helped the world public better understand the real situation in their country thus gaining more support of the Kampuchean revolution.

The achievements recorded by Kampuchean children--heirs to the Kampuchean revolution--are an active contribution to national defence and construction.

They show the success of the party's policy of educating children to become the courageous fighters, loyal citizens and socialist intellectuals and workers raised in the best traditions of genuine patriotism and proletarian internationalism particularly the traditions of special friendship with Vietnam, Laos, the Soviet Union, and other fraternal socialist countries.

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PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

RED CROSS AID--Phnom Penh, 18 Dec (SPK)--The Kampuchea Red Cross (KRC) recently distributed 238 tonnes of rice to needy families in the provinces of Prey Veng and Takeo. The relief came from the Mennonite Central Committee (MCC), the World Food Programme (WFP) and the Swedish Charity Organization SIDES. [Text] [Phnom Penh SPK in English 1102 GMT 18 Dec 85 BK] /9599

TRADE UNION MEETING--The executive committee of the Kampuchea Federation of Trade Unions has reviewed its activities in 1985, made an in-depth study of the resolution of the fifth party congress relating to trade unions, and set the course for 1986. During a three-day meeting closed on Thursday, the committee discussed and agreed on the report for 1985 [words indistinct] 1986. The committee issued 22 congratulatory certificates and 44 congratulatory letters to the best units and individuals in recent literary and art competitions. Speaking at the closing session, Chea Sim, Politburo member of the PRPK Central Committee and chairman of both the National Assembly and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland, said the achievements of the Federation in 1985 had helped strengthen the spirit of mastery, the sense of self-reliance, the creativeness of workers in all branches of the national economy. [Text] [Phnom Penh SPK in English 1112 GMT 28 Dec 85] /9599

GREETINGS TO CUBA--Phnom Penh, 31 Dec (SPK)--Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council of the People's Republic of Kampuchea, has extended his warmest greetings to Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba and president of the State Council and premier of the Republic of Cuba, on the 27th anniversary of the Cuban revolution. He says in a recent message: "Availing ourselves of this significant occasion we wish to reiterate our militant solidarity with, and firm support to, the government and people of Cuba in your struggle against all acts of aggression and sabotage by the U.S. imperialists and their henchmen. "May the militant solidarity between our two countries be further strengthened and developed." Foreign Minister Hun Sen has also sent his fraternal greetings to his Cuban counterpart, Isidoro Malmierca Peoli. [Text] [Phnom Penh SPK in English 0540 GMT 1 Jan 86] /9599

EQUIPMENT FROM CUBA--Phnom Penh, 1 Jan (SPK)--The Ministry of Posts, Transport and Communications received in Phnom Penh Monday two tonnes of equipment from

the Government of the Republic of Cuba. The gift was handed over by Cuban Ambassador Viriato Mora Dias to Tea Banh, candidate member of the People's Revolutionary Party of Kampuchea Central Committee and minister of posts, transport and communications. [Text] [Phnom Penh SPK in English 1056 GMT 1 Jan 86 OW] /9599

DEVELOPMENT OF COMMUNICATIONS--Phnom Penh, 1 Jan (SPK)--Transport workers in Kompong Thom Province, 150 km north of Phnom Penh, this year have moved 23,970 tonnes of goods by truck. In the same period, road workers have macadamized 12 kilometres of highway 6, repaired 10 old bridges, and built 4 iron bridges. In Pursat Province construction workers have built 11 bridges totaling 60 metres. They also repaired 43 bridges totaling 400 metres and macadamized 6.5 kilometres of highway 5 and 1.2 kilometres of roadway in the provincial town. They also gravelled 12.6 kilometres of the road linking the chief town to Kandeang District. [Text] [Phnom Penh SPK in English 1108 GMT 1 Jan 86 OW] /9599

MEDICAL SCHOOL GRADUATES--Phnom Penh, 1 Jan (SPK)--One hundred and ninety-eight more midwives and nurses have graduated from the central medical school in Phnom Penh. That was the sixth promotion of the school since liberation. All told, the school has turned out 1,148 midwives and nurses, 135 laboratory assistants and 16 administrative cadres. Over 860 nurses, dentists and laboratory assistants are studying at the school now. At the malaria centre a short-term course for 30 laboratory assistants was closed Saturday. The course was the 13th of its kind since 1979. [Text] [Phnom Penh SPK in English 1110 GMT 1 Jan 86 OW] /9599

YOUNG PIONEERS MEETING--Phnom Penh, 3 Jan (SPK)--Pupils throughout the country Wednesday celebrated at their schools the sixth anniversary of the Young Pioneers Organization of Kampuchea (January 1). The meeting organized at "Chakdomuk" primary school, Phnom Penh, was attended by Sam Sundoeun, member of the Central Committee of the People's Revolutionary Party of Kampuchea and president of the organization, and Chan Min, deputy education minister. Sam Sundoeun praised the development of the organization in the past six years and the contribution made by young pioneers to national defence and construction. He called on all pupils to study hard and train themselves into continuators of the revolution. On this occasion 700 more children have become members of the organization whose membership has risen to 30,000 from 1,064 in 1980, the year of its foundation. [Text] [Phnom Penh SPK in English 1114 GMT 3 Jan 86] /9599

CSO: 4200/494

MILITARY AFFAIRS AND PUBLIC SECURITY

VO VAN KIET ADDRESSES MANAGEMENT CONFERENCE

BK161540 Hanoi NHAN DAN in Vietnamese 1 Nov 85 pp 1, 4

[Address by Vo Van Kiet, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers, at conference on "strengthening market and price management and combating speculation and smuggling"--date and place of address not given]

[Text] Our conference has just heard Comrade Pham Hung, member of the Political Bureau of the Party Central Committee and vice chairman of the Council of Ministers, express his opinions. These are very basic issues and constitute the general guidelines helping the conference fully understand and implement the party and state resolutions on the lines, positions, and policies concerning the task of transforming and building industry and trade, in general, and the struggle for market and price management and against speculation and smuggling, in particular. I would like to suggest that the comrade leaders of various sectors and localities rely on these opinions and on the documents of this conference and, at the same time, proceed from the concrete realities of their own sectors and localities to work out a plan of action aimed at stepping up transformation work at the most urgent tempo and in the most active spirit. This spirit must also be deeply implanted in all sectors and localities, from the party committee echelon down to cadres, party members, and combatants so as to achieve identity of views and thought that will serve as the basis for the unity of measures of execution and for a uniform, harmonious coordination in all stages of work.

I would like to express my views on some additional specific issues as follows:

1. This conference discusses the continuation of stepping up the task of transforming and building industry and trade, which we have been carrying out for a long time, but focuses on a special topic: intensifying market and price management and combating speculation and smuggling. Therefore, on the one hand we must continue to promote the transformation of industry and trade in accordance with the guiding formulas adopted previously, namely to rearrange production and the market in connection with the transformation of private trade according to each branch of goods so as to step up production, expand the operations and strengthen the forces of

socialist trade, gradually replace private trade, firmly control the market, and stabilize prices, thereby contributing to stabilizing production and the people's living conditions. On the other hand, we should clearly realize the characteristics of the current situation to apply uniform measures and concentrate all our forces on combating speculation and smuggling so as to effect a really significant change within a definite period of time. This is aimed at successfully implementing the resolution of the Political Bureau and those issued by the sixth, seventh, and eighth party Central Committee plenums, in general, and the new policies on prices, wages, and money, in particular.

Implementing the resolution of the eighth party Central Committee plenum, the state has issued specific policies on prices, wages, and money; has changed the old currency and issued new one; has promulgated a new wage system... The masses and cadres have expressed their consent and enthusiasm because they have realized that this is something necessary that must be done to abolish state subsidies in economic management. However, they are also worrying and their pressing demand is that we must, without fail, manage the market and prices to firmly maintain the value of the new currency and the real wages. If we do not take the initiative in market and price management, it is very likely that we will relapse into a difficult situation similar to the one we have experienced during the past few years. For this reason, this problem is being raised with special urgency because it directly affects the people's livelihood. In reality, we have scored some remarkable successes in the past. We have taken a step forward in reorganizing and rearranging the market and have discovered and dealt with many cases of speculation, smuggling, and bogus goods production. However, in some southern localities, the situation of market and price disturbances, speculation, and smuggling has generally remained serious, severely affecting production, distribution, circulation, and people's life.

For this reason, many pressing questions have been raised in market and price management and in the struggle against speculation and smuggling aimed at eliminating the black market--the illegal market--entirely and successfully establishing a unified socialist market. This requires that we ensure unanimity in our views, sharpen determination in our leadership, and concentrate forces and measures on our action.

2. Struggling against speculation, smuggling, and bogus goods production is a very complicated task that concerns many sectors, localities, and domains. If we want to fulfill this task satisfactorily, we must simultaneously adopt a series of uniform measures.

A. First of all, services such as public security, judiciary, control, inspection, communications, and finance as well as the Armed Forces must--on order and under a unified joint command--implement the task of punishing the ringleaders promptly and appropriately. It is necessary to deal severely and promptly with those acting together to spoil our cadres and sow internal disturbances; not only penal but also heavy economic penalties must be inflicted on them.

B. The real maneuver of speculators, smugglers, and bogus goods producers is to take advantage of bad elements in various organs and grass-roots units and bribe them to attract them to their side. For this reason, it is necessary to boost internal indoctrination and management work, combat negativism within state organs, and resolutely refrain from aiding and abetting dishonest merchants who are robbing the state's wealth and causing more difficulties for the country and the people. In particular, the military, public security, communications police, and customs forces must prove themselves worthy of being the core of the proletarian dictatorship. Each cadre, government employee, and combatant must understand that currently any act of aiding dishonest merchants and of causing damage to socialist property is actually a crime of participating in undermining the country's economy. Those who refuse to repent after indoctrination must be dealt with severely by state laws. Reality clearly shows that the struggle against speculators and smugglers can be actively carried out with good results in localities where party organizations; public security, military, and customs organs and forces; and mass organizations are pure, firm, and strong. Due to the existence of illegal contacts between speculators and smugglers and a number of negative elements within our ranks, difficulties and complexities still exist in certain localities. These difficulties and complexities will increase enormously if this element includes competent cadres. Therefore, it is necessary to deal resolutely with speculators and smugglers while successfully safeguarding our ranks and countering all enemy tricks to attract bad elements and undermine our ranks.

C. The role of various mass organizations, people's inspection organizations, and public opinion in connection with this task assumes great significance. For this reason, party and state policies must be widely and deeply propagandized to help broad segments of public opinion understand that the [word indistinct] against speculation and smuggling and efforts to advance market management are for everyone's benefit so that they will agree to support these policies, realize their responsibility and role as collective masters, and condemn speculation and smuggling.

3. The issue of price management: Market management is actually price management. At present, our country is still faced with difficulties and economic imbalance. In some key areas, the effect of the law of supply and demand has been amplified by speculators and smugglers. At this point, we do not rule out the fact that saboteurs have caused price hikes and therefore we must gradually overcome this problem. However, I want to point to a number of shortcomings and loopholes in our state business organs. In fact, these state organs have engaged in trade competition which has resulted in price hikes. This situation is unacceptable. All services and localities must strictly observe price discipline and must, through the application of internal disciplinary regulations and state laws, preempt and deal with those organs which have deliberately raised prices and those cadres who have violated price discipline. Localities must promptly eliminate all maneuvers that raise prices irrationally in order to quickly restore stability regarding a new pricing system which is

directly related to the people's daily life. The state has recently readjusted a number of prices and taken steps to relinquish the prevailing subsidization status. We should provide broad explanations and sensible reasons to persuade all people to help achieve that. If we make adequate preparations and offer clear explanations, we shall not only enjoy the masses' support but can also create solid grounds for them to combat the counterpropaganda arguments of saboteurs.

4. The cash issue: The recent currency exchange created additional favorable conditions for production, business transactions, and goods circulation. The immediate and temporary difficulty is the shortage of small change on the market. All banking organs are initially changing their work methods and monetary management systems to promptly support the production, construction, and business activities of various sectors and localities. We welcome that determination. However, all localities should also contribute to the implementation of this task. Specifically, they must strictly enforce cash discipline. The recent currency exchange drive revealed the prevalence of very loose financial discipline. In fact, many organs and enterprises have hoarded an amount of cash beyond prescribed limits, thereby disrupting currency circulation. For this reason, together with the banks, all organs and enterprises have hoarded an amount of cash beyond prescribed limits, thereby disrupting currency circulation. For this reason, together with the banks, all organs and enterprises must properly build and implement cash plans and must overcome the practice of making payments in cash with a view to evading control by responsible organs.

5. The grain issue: As I have already pointed out to you comrades on many occasions, we must understand that grain includes farinaceous varieties--corn, potato, and manioc--not just rice. Obviously, rice accounts for the highest percentage and retains the most important position. We must manage grain by all means--including managing its kind and price--because it is the number one need of life and involves the activities of all sectors, touching the daily life of our whole society. Meanwhile, it is also a commodity that directly effects the whole price structure. It is necessary to understand clearly that our state must implement the unified management system and monopolize grain trade because our country must not maintain a free grain market but should have only one grain market under the unified management by the state which holds the exclusive right to fix prices. We must strive to implement this immediately without hesitation, and must also eliminate the free grain market immediately. Apart from that necessary for their own use, grain producers have the obligation to pay agricultural taxes and sell all marketable grain to the state. Of course, direct business transactions between grain producers and consumers in rural areas are a normal activity, not a commercial one, among the local people and is still authorized by the state. On behalf of the state, the Ministry of Food is responsible for making compulsory purchases of all grain and goods and for supplying and distributing grain--at state-prescribed prices--to all services and localities to meet society's rational needs. This task has been discussed on many occasions,

but it has not yet been carried out thoroughly and completely. This time we must resolutely achieve it. There are regulations on the unified management by the state of other kinds of goods and this task must also be carried out gradually in this way.

At this point, it is necessary to pay attention to satisfactorily settling the relations between services and localities and between localities and the state in connection with economic contracts and to achieving planned integration for the purpose of eliminating the middle-man role of private traders, building direct relations between localities, and ending the situation of business competition that has given the chance for private traders to raise prices and make profits. It is also necessary to put an early end to the situation in which many business organs operating in localities avoid contracts and control by local authorities, thereby disrupting local markets.

6. We should improve the organization and operations of interservice stationary checkpoints along interprovincial roads. We should clearly realize that the duties of these checkpoints are to check and control illegal shipments of supplies and goods, and to expose speculative and smuggling activities and tax evasion. These duties, however, are meant to help ensure a smooth circulation of goods and increase the turn-around rate of the means of transportation, not to cause trouble to the people and the state in the distribution and circulation process. In the past, there have been many cases in which checkpoints' failure to properly fulfill their functions has caused trouble to state organs and damages or losses of merchandise. There have also been some cases in which these checkpoints have lent a helping hand to smugglers. However, we should not do away of all checkpoints just because we want to correct their wrong-doings. At present, the existence of these checkpoints is still very necessary since they have achieved remarkable successes in the fight against speculation and smuggling and have contributed to prevent income losses for the state budget. Of course, it is necessary to immediately stop all moves that inconvenience the people, delay the circulation process of responsible state organs, and lend a helping hand to dishonest merchants. We should study and promulgate at an early date specific operational regulations for these checkpoints in order to ensure success in the fight against speculation and smuggling and create conditions for responsible distribution and circulation organs to operate in the most advantageous way so as not to impede the people's travel. In this matter, there must be close coordination among communications police, military control forces, tax-collection cadres, and market management teams. It is important to reorganize transportation operations of passenger buses and trucks and educate the contingent of bus drivers on resolutely refraining from using official vehicles to transport goods for speculators and smugglers. In doing so, we shall contribute to promoting the communications and circulation operations of the socialist trade forces, eliminating traveling private merchants, preventing connivance between private merchants, and ensuring that the socialist market can gradually gain the upper hand and attain stability.

7. The last point I would like to deal with is the problem of guidance in plan implementation. Strengthening market and price management and combating speculation and smuggling are a task of paramount importance. It is an urgent and also very complex task, but it must be fulfilled to contribute to implementing the resolution of the eighth party Central Committee plenum and creating a new situation in the market. Therefore, the guidance of the implementation of this task must be highly unified, resolute, and responsive. At the same time, there must be a high identity of views and the leadership and guidance of party and administrative committees at all echelons must be strengthened. Moreover, it is necessary to adopt a suitable policy of encouragement and motivation. Any unit or person who has done a good job and achieved high efficiency must be commended and rewarded promptly and appropriately, both materially and spiritually. It is also necessary to carefully select and educate cadres in charge of market management and distribution and circulation operations.

These are some specific opinions I would like to add so that you can study and implement together. I wish you good health and many successes in this work campaign.

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CSO: 4209/169

MILITARY AFFAIRS AND PUBLIC SECURITY

PAPER STRESSES NEED TO INCORPORATE COMBAT EXPERIENCE IN TRAINING

Hanoi QUAN DOI NHAN DAN in Vietnamese 21 Oct 85 pp 1, 4

[Editorial: "Applying Combat Experience in Military Training"]

[Text] Combat experience is lessons that have been learned from the combat realities of our army. Some experience is drawn from a specific battle, other experience from many battles or an entire campaign. It is the priceless treasure-trove of our army, an army that has been fighting for several decades and won victory over many aggressors. Therefore, in order to narrow the gap between training and combat and establish a close connection between training grounds and the battlefield, it is very necessary that we attach importance to applying combat experience in military training.

At the officer training schools or military administration schools of the military regions and military corps, applying combat experience in training and instruction must be considered a principle in improving the quality of training. Combat experience is also an important element in the compilation of instructional materials, an element that helps to complete the standard program at schools, and provides the basis for students to gain an understanding of the realities of combat and learn military science, thereby meeting the requirement that the school be one step ahead of combat needs.

To apply combat experience well, it is first of all necessary for the schools to set up units to research and select well fought battles and successful campaigns conducted during each stage and period of fighting by our army and from them compile research and reference materials for instructors and students. In the process of compiling lessons, in the process of providing training, instructors can, on the basis of the specific subject being taught, draw from these materials specific experiences to incorporate in their lessons that will have a direct effect in deepening the understanding that students have and guiding their actions in combat. Combat experience must be applied in each lesson in a way that is logical and scientific, not in a way that is forced. Combat experience is very valuable but it must be applied in a flexible and creative manner to specific conditions in order to yield practical results.

Combat experience must be applied not only in tactical training, but in technical training as well. In combat, technical work is not independent of

combat. All the actions of soldiers on the battlefield are a combination of the technical and the tactical. Therefore, combat experience must be applied to forge the skills of troops in technical training.

To basic units, applying combat experience in training is very important and has a direct effect upon combat efficiency. Every basic unit grows and matures under each different set of circumstances and within each different area of operation in combat. Consequently, the fighting skills of each unit vary. One unit fights well in one area of operation while another fights well in a different area of operation. Every unit that grows and matures in combat gains a certain amount of experience. Units must organize the printing and publication of the combat experience of collectives and individuals, of examples set in combat, in commanding combat operations by collectives and individuals. These experiences must be made known to each and every cadre on all echelons. If conditions permit, seminars can be held to research and select good experiences for application in training that are consistent with the unit's combat mission.

Current conditions along the border are such that our troops must fight against each scheme and tactic of encroachment and occupation of the enemy every hour of every day. There have been many well fought battles in which we have defeated tactics of the enemy. It is extremely necessary that these new combat experiences be promptly publicized. To do this well, the schools and units in the rear area must regularly send cadres to the units that are directly engaged in combat to research and assess the situation. Or, if conditions permit, the units engaged in combat can send cadres to schools and units to disseminate their combat experiences.

Modern military science and art are constantly developing. However, in conjunction with learning modern military science and art, it is necessary to keep abreast of the experiences gained by our army in combat and properly combine them with the existing unique and creative combat experiences of our army. This is the only way that we can constantly raise the military standards of our army, especially command cadres, and guarantee victory over the enemy in every war situation.

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MILITARY AFFAIRS AND PUBLIC SECURITY

ARTICLE DESCRIBES CRIME FIGHTING EFFORT IN HANOI SUBWARD

Hanoi QUAN DOI NHAN DAN in Vietnamese 21 Oct 85 p 2

[Article by Do Trung Lai: "Public Security in the Hue Street Subward"]

(Text) It is not surprising that of the 24 subwards in Hai Ba Trung, only five are considered class I areas, that is, areas that are the most important and complex from the standpoint of public security. These are the five subwards in which the following public gathering places are found: the Hoa Binh Market, the Ho Market, the Hom Market, Lenin Park and Vinh Tuy Park. During periods when emulation efforts are reviewed, these five subwards have found it very difficult to record high achievements despite the fact that they have worked harder than the other subwards. Because, the number of incidents occurring at these places has been very high and eliminating all crime within the subwards is not at all easy.

Yet, in the emulation record book of the Hai Ba Trung Ward public security force, it states: during the 2 years 1983 and 1984, the Hue Street Subward public security force was an advanced unit that excellently completed its mission. Not one cadre or policeman committed a mistake; 1 person was awarded the Uncle Ho emblem; 24 persons were awarded certificates of commendation; 33 persons were awarded letters of commendation; 16 persons received letters of commendation from the people for their devotion to duty; 2 persons were emulation warriors and 7 persons were accepted into the party. The Youth Union chapter of the subward public security force scored the highest marks for carrying out Uncle Ho's six teachings to the people's public security forces and six units received five certificates of commendation.

I went to the headquarters of the Hue Street public security force in the hope of obtaining a detailed explanation of how these achievements were recorded.

Geographically, the Hue Street Subward consists of the following streets: Hue, Thinh Yen, Yen Bai 1, Yen Bai 2, Tran Cao Van, 332, 336... The subward has 3,267 households with 13,121 permanent residents. Of this number, nearly 500 persons have a police or prison record for crimes ranging from robbery and murder to pickpocketing and shoplifting. In addition, some 10,000 persons pass through the subward each day. Persons from the city, from distant provinces come to the Hoa Binh Market to buy and sell merchandise of all kinds. Consequently, it is also a center of activity for a large number of

persons who make and market fake goods, black marketers, swindlers and thieves and a center of activity for persons who receive and market socialist property and property of citizens that has been stolen or illegally obtained by a variety of methods. Some persons say without exaggeration that you can buy anything from a piece of flint to airplane parts at the outdoor market. The difficulties that we have been experiencing in recent years have given rise to many negative phenomena. And, the outdoor market is a hub of these negative phenomena.

A factory that manufactures electronic components once saw its customers (selected customers, at that) "disappear." When it asked one of its customers about this, it was told: "We were buying diodes from you at a price of 14 dong and transistors at 17 dong apiece. Meanwhile, the same components can be bought at the outdoor market for 3 to 5 dong apiece." The factory sent a technical cadre and a security cadre to the market to investigate this matter. The customer was right. How had these components made their way to the outdoor market? Thus, the subward public security force had another job to perform.

Another person, half in tears, described how he and several other persons "competed" to buy an "exported" bicycle, bidding on it as if they were at an auction. In the end, the bicycle was his at a price of 8,000 dong. However, after he paid for the bicycle, no one felt happy for him. The crowd of bidders around him immediately disappeared. Skeptical, he had a mechanic check out the bicycle and found that it was made entirely of junk and cost about only a few thousand dong to make! This made more work for the subward public security force.

As a woman bent down to adjust her sandal, the purse that she had left hanging on the handlebar of her bicycle disappeared. She, too, had work for the subward public security force.

A passenger on a trolley car travelling down Hue Street, who was wearing an expensive watch, was suddenly jostled and shoved about. Feeling a sharp pain in his arm, he looked down and saw a red mark where he watch once was. In a flash, several "kids" jumped from the trolley car, dashed into the street and slipped away down another street. The subward public security forces had another "customer." Then, the cover to a rice mortar was stolen. The packaging had been cut open as if someone had slit open the gizzard of a chicken, leaving a very neat scar and so forth, and so forth.

If the subward's public security force simply dealt with these incidents in a passive way, nothing could be accomplished. Prior to 1982, the subward's public security unit was classified as weak.

Back then, when there were only precinct public security stations, these forces operated independently under management and guidance by vertical sector. The stations only coordinated with the precinct people's committee. Consequently, their main duty was to fight crime and they were not, from a legal standpoint, under the control of the local administration or people. The same applied to their party chapter and Youth Union chapter.

In mid 1981, the Hue Street Subward public security force was established to take the place of the former precinct public security stations. With that, the subward public security force became an integral part of the structure of the basic level administration. It is under the direct leadership of the subward party committee and people's committee. The chief of the subward public security force is a member of the standing committee of the subward party committee, the member of the subward people's council in charge of security and also a member of the subward people's committee. As a result, the subward public security force, in addition to its main function of fighting crime and maintaining a dictatorship, also has the function of serving as the staff of the subward party organization and administration in every matter related to the economy, culture, military affairs, etc. Of course, its special task remains maintaining security and social order and safety within the subward. To fulfill its tasks, it is first of all necessary to build pure, solid and strong public security forces.

Truyen, the party chapter secretary, said:

--"Our guidelines are to actively protect ourselves while taking the initiative in fighting the enemy. Protecting ourselves means making ourselves strong and not allowing our forces to erode. Only in this way can we fight the enemy. For 4 years in a row prior to 1982, cadres and policemen in our unit made mistakes and we did not earn one emulation title."

One job of which Truyen is in charge--street work--is an important aspect of the sector's work. Each policeman in his unit is in charge of an area that encompasses roughly 300 households consisting of some 1,500 persons. The street public security police are called, in a lighthearted manner, the "area minister of interior." They must know each person on sight, know the name, address, occupation, family relations, social relations, personal history, political attitude and character of each person within their area.

One of the outstanding policemen of this unit is 27 year old Senior Sergeant Hoang Ba Sau from Vinh Phu Province. In early 1980, as a result of having built a good base and utilizing it well, he discovered and personally apprehended a Chinese spy who was operating in his area. This spy had evaded capture in nine other countries in the world. On 10 April 1984, Hoang Ba Sau discovered and apprehended a band of smugglers, confiscating 2.5 kilograms of opium for the state.

When I arrived in the subward, the comrades there were rechecking census registrations in all areas of the subward to support the addition of price compensation payments to wages and the implementation of the resolution of the 8th Party Plenum on prices, wages and money. On the board on which points were being recorded, it stated: 31 July: Dung inspected 43 households with 139 persons; Hai, 27 households with 107 persons, etc. Each week, the street public security police must report on their work to the area party committee and have their report signed and verified so that they can also be submitted to the unit.

Thuan confided: in criminal work, the main duty is to prevent crime and punish criminals. To do this, we must determine the causes and conditions

that lead a person to crime. We work closely with families and the schools, mainly to prevent crime and educate the public. Very regrettably, however, many citizens still lack a sense of vigilance and many families still are unaware of the need to teach their children. They do not know that when little things are tolerated, their children very easily become criminals. And, once their children have become criminals, how can they repent for what has happened. The efforts that must then be made to reeducate their children are very large indeed! The lesson to be learned here is truly a matter of principle.

The police patrol and control sections of Tan had other thoughts to confide. Each day, at the hours of peak traffic, from 0700 to 0800 hours in the morning and 1600 to 1700 hours in the afternoon, they and the street public security forces and people's traffic forces direct traffic and maintain public order. They must take turns conducting patrols 24 hours a day and also participate in making arrests on the street. A few days earlier, on 20 July, Corporal Le Quang Phong at the Den Bridge checkpoint apprehended a robber who had stolen the cover to a rice mortar. During an inspection conducted at the same checkpoint, Sergeant Le Van Tuan caught red-handed a person who had stolen some grease.

In this way, day after day and never tiring, the different specialized sections of the subward's public security forces display their spirit of dedication and professional skill. Their objectives are "peace and quiet everyday," "peace and quiet for every household."

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MILITARY AFFAIRS AND PUBLIC SECURITY

HANOI SECURITY FORCES ROUND UP SPECULATORS, HOARDERS

Hanoi NHAN DAN in Vietnamese 14 Oct 85 p 3

[Article by Do Quang: "Hanoi Manages the Market, Resolutely Punishes Speculators and Hoarders"]

[Text] Recently, economic police, people's security, and public security forces from many subwards in the wards of Hoan Kiem, Ba Dinh, Hai Ba Trung, and Dong Da coordinated closely with the control units of the public security and market management committees, strengthened inspections, discovered and promptly tried violations of price discipline, and discovered a series of speculators, hoarders, black marketeers, makers of counterfeit goods, consumers or recipients of stolen socialist property, and a number of corrupt trade cadres and personnel who had assisted dishonest merchants in acquiring goods to put up for sale on the outside at high prices. In Hoan Kiem Ward, the public security from the subwards of Dong Xuan, Hang Trong, Hang Dao, Hang Bong, Cua Dong, Hang Buom, Hang Bai, Phan Chu Trinh, Phuc Tan, and Cua Nam, together with other subwards in the ward, discovered many instances of speculation and hoarding, returning to the state a whole series of goods in large quantity.

The tactic of the speculators and hoarders this time was not to keep goods at a single place or to store them with a single customer but instead to disperse in small, scattered amounts in many locations and sites under various forms of camouflage. For example, take Nguyen Thi Thanh who lives on Thanh Ha Street. The Dong Xuan Subward public security discovered many bolts of foreign cloth on the floor of the attic and papers related to the wrongful business sales. Thanh also dispersed goods, placing them in the home of Vu Van Co, Hong Phuc Street, Ba Dinh Ward. With the help of the people, the public security found with this family many bolts of cloth still in original bundles, printed cloth and many shirts and pants. From the outside this was only a tea house, but on the inside they had filled it with cloth. Rolled cloth was put in pineapple bags and gunnysacks hidden in the corner of the kitchen, underneath the beds, and in the path and yard shared by the households living in the house. Pham Thi Nga, Phung Hung Street, hid a fairly large amount of cloth in the kitchen cabinets. Le Bat Truyen, Hang Ma Street, hid many goods

in the space underneath the chicken coop and in the coop itself. Nguyen Thi Nhan, Cua Bac Street, hid a large amount of western drugs, many of them valuable and scarce types, in covered pots, woven bamboo baskets, etc., against the wall. Pham Thi Kim Loan and Le Anh Tuan, who live together on Hang Chieu Street, were caught redhanded dispersing thousands of ballpoint pens and many bolts of cloth stored in extra large bags in preparation for shipment. Not few of the merchants, speculators and hoarders were in the well-to-do category, but externally they usually all worked at a trade which concealed this from the eyes of the people. Nguyen Huu Kinh, who lives at Alley Trang Tien, Trang Tien Subward, did small electrical repairs. When inspected, he had nearly 400 transformers of various types and a large amount of enameled wire, electrical appliances, and electronic components. Pham Thi Ho, Hang Dao Street, knitted sweaters on hire but had a fairly large amount of electronic watches, electronic calculators, wool, cloth, and other goods.

In Ba Dinh Ward, personnel of economic police, people's security and public security units from the subwards of Trung Truc, Thuy Khue, Cau Giay, etc., also found more than 30 centers of speculators and hoarders, and returned to the state a substantial amount of gasoline and oil, paper, clothing, cloth, footwear, soap, iron and steel, cigarettes and many other goods. A number of large-scale black marketeers and a number of cadres in charge of warehouses and personnel who guarded them, sold goods to assist dishonest merchants, and slipped out goods for speculators and hoarders also were caught red-handed and severely punished. Nguyen Huu Toan, chief of the consumer cooperative of the Hanoi Street Car Corporation, spent nearly 100,000 dong to buy up soap prior to the money exchange and used the cooperative's warehouse to store the speculative goods in expectation of higher prices and sale for unjust profit. Two salespeople, Chu Kim Phuong and Nguyen Tuyet Trinh, who live in a hotel, each day poured out many cartons of Bong Sen cigarettes to colleagues to enjoy the price difference. The specialized operation for drawing in state goods headed by Nguyen Tong Quan, Khuong Thuong Subward, very notorious among the band of dishonest merchants, also was snared this time. Several black marketeers in foreign currency, gold, and state-prohibited goods who had a line all the way to Haiphong, the south, and right into the state store warehouse also were snared. A number of black marketeers, speculators and hoarders who were seeking every way possible to turn money into valuable goods in large quantities before the money exchange days also were punished.

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MILITARY AFFAIRS AND PUBLIC SECURITY

MILITARY-CIVILIAN COOPERATION IN HEALTH SERVICES

0W160803 Hanoi VNA in English 0717 GMT 16 Dec 85

[Text] Hanoi, 16 Dec (VNA)--In 1984, during the fight against the Chinese landgrabbers, the health service in Ha Tuyen province handled about 12 percent of the combat wounds, most of which were treated at the provincial hospital of Ha Giang.

In the south, the medical service of Ho Chi Minh City sent well-equipped teams of qualified surgeons to look after the army volunteers in Kampuchea.

Since 1980, a number of provinces have held conferences on combining the military and civilian health services and organized joint exercises under emergency circumstances. In some provinces, this combination has become a daily practice of the local army medical personnel and a regular task of the local party committee.

Combining the military and civilian medical services is indispensable to ensuring local or regional logistics. In the event of a big-scale aggression by the enemy, the number of combat wounds may rise to a critical level very quickly on the main battlefield. Under such circumstances, a provincial health service, however well prepared and equipped, could not handle the situation.

That is why, the policy of war-time mobilization must be strictly carried out. Only then could we mobilize within a short time a big number of medical teams, including first-aid and field hospitals and other units, to the front.

It is also necessary to organize regular training and exercise for the army medical personnel, both in active service and on the reserve list.

By combining the military and civilian health services and making good preparation for war-time mobilization, we shall be able to meet both strategic fighting tactics of our armed forces, i.e., the local people's war and the people's war conducted by the regular army.

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INTERNATIONAL RELATIONS, TRADE, AND AID

HANOI RAPS U.S. POST-GENEVA SUMMIT POLICY

BK171428 Hanoi Domestic Service in Vietnamese 1430 GMT 15 Dec 85

[Radio Editor Duong Quang Minh commentary: "Mr Reagan's Words and Deeds"]

[Text] Comrade Gorbachev, general secretary of the CPSU Central Committee, recently announced that the Soviet Union has completed the dismantlement of the SS-20 missile bases in Europe as he had promised during his recent visit to France. Progressive and peace-loving mankind has welcomed this announcement with hearty joy and jubilation. It must be stressed right away that this is a major practical new measure full of goodwill taken by the Soviet Union. It eloquently proves that with the Soviet Union, words and deeds always go hand in glove. The Soviet party and state have stated that there is now no more important and urgent task than that of checking the arms race. The dismantlement of the SS-20 missile bases by the Soviet Union in keeping with its promise, carried out while it is still upholding its decision to unilaterally halt all tests of nuclear weapons, has shown even more clearly the continual, great Soviet efforts at and contributions to achieving detente and peace. It has also confirmed that the Soviet Union is prepared to do its best to resolve the problems concerning disarmament, especially the elimination of nuclear weapons.

What has the U.S. administration done in response to this good-will gesture and position of the Soviet Union? At the UN General Assembly, U.S. President Reagan once stated that an all-out effort must be made to safeguard common peace and security. At the Soviet-U.S. summit meeting in Geneva, he pledged never to allow a nuclear war to break out. At a recent interview granted to the Italian daily (MILANO), Mr Reagan once again declared: It is high time to match deeds with the words of goodwill exchanged between the U.S. and Soviet leaders.

Mr Reagan's deeds, however, have run counter to his words. Following is proof of his so-called acts of goodwill, committed in the wake of the Soviet-U.S. summit meeting.

In the military domain, in the United States, Mr Reagan is urgently implementing the space militarization plan under the Star Wars program that costs up to \$1.5 trillion. According to U.S. Secretary of Defense Weinberger, various U.S. military-industrial complexes have begun to

manufacture gigantic infrared radiation receptors, laser equipment, and offensive space weapons such as ground-based missiles for use in destroying ballistic missiles in flight. Mr Reagan also sent the U.S. secretaries of defense and state to various U.S. allied countries in an effort to secure their cooperation in implementing the strategic defense initiative plan. Mr Reagan signed a bill appropriating \$9.2 billion to finance the building of new major military bases in fiscal 1986, an increase of more than \$1 billion over fiscal 1985. He allowed a nuclear-powered warship stationed in the Gulf of Mexico to test fire the U.S. Navy's Tomahawk missiles for the 25th time on the U.S. east coast.

Abroad, Mr Reagan has paid particular attention to the two countries that may serve as the bases for U.S. nuclear first-strikes against the Soviet Union: the FRG in the West and Japan in the east. The installation of 108 intermediate-range Pershing 2 missiles in the FRG has been completed and 36 cruise missiles are being deployed in the country. To date, the number of U.S. nuclear-powered submarines capable of carrying Tomahawk nuclear missile's stationed in Japan has increased to 30, equal to the record number of such vessels sent to that country during the U.S. war of aggression against Vietnam.

Concerning the U.S. efforts to oppose the sovereignty and security of other nations, in Central America Mr Reagan has decided to give an additional sum of \$27 million to the Nicaraguan reactionaries. In southern Africa, he has doled out \$30 million to the reactionary UNITA in Angola. In south Asia, the Afghan rebels have received another \$500 million from the White House. In the Middle East, the Reagan administration has continued to keep expansionist Israel on top of the list of U.S. aid recipients to entice it to engage more deeply in the struggle against progressive Arab countries. Meanwhile, in Southeast Asia, the Reagan administration sent U.S. Assistant Secretary of State Paul Wolfowitz on an inspection tour of the Thai-Cambodian border and the lairs of Cambodian reactionaries on Thai soil to encourage them to oppose and sabotage the Cambodian people's revival and, at the same time, to make provocative statements to further strain the relations between Thailand the three Indochinese countries.

Any comments on the Reagan administration's recent activities--that is, following the Soviet-U.S. summit meeting--would be superfluous. Through these activities, the world public has seen all too well that the U.S. administration is still pursuing the policy of seeking military superiority to intimidate other countries and is still stepping up its undeclared war against the independence and sovereignty of many nations that refuse to follow the White House's orbit. The Reagan administration's criminal hands are still showing. This has prompted the world public to remain on the alert and, at the same time, to further promote the struggle for peace, detente, and security of nations.

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INTERNATIONAL RELATIONS, TRADE, AND AID

SRV DAILY SAYS REAGAN WANTS TO 'RAMBOIZE' U.S.

BK171622 Hanoi QUAN DOI NHAN DAN in Vietnamese 9 Nov 85 p 3

[Article by Pham Hong: "Reagan and Rambo"]

[Text] Reagan is president, and Rambo is a hero in an American film. Reagan is full of praise for the movie "Rambo." When the situation in Lebanon became tense, Reagan said: "I just saw the movie 'Rambo' last night. I know what should be done!"

At the international film festival held in San Sebastian (Spain) last September, the movie "Rambo," which is well liked by President Reagan, was disqualified and banned by the organizing committee. Why?

The film tells the story of Rambo, an American Green Beret commando, who is sent to Indochina to rescue a group of besieged American soldiers. The "hero" Rambo's adventure comes to a spectacular end after he has, with daggers, bows and arrows, guns, and expertise in martial art, killed 200 fully armed Vietnamese and Soviet soldiers.

The movie "Rambo" has been boycotted many times in the FRG. The press in the FRG has commented: This American film advocates war...showing "Rambo" is to hinder peaceful coexistence among nations...

Perhaps Reagan also wants to count on the movie "Rambo" to reduce the "Vietnam syndrome" in the United States. At a roundtable conference during the San Sebastian film festival, American movie director (Haskin Whistlers) said ironically: "The U.S. President from Hollywood wants to Ramboize all the United States." True enough, the U.S. market is now flooded with T-shirts printed with Rambo's picture together with Rambo-style daggers, guns, and bows and arrows; and a number of U.S. Marines have declared they are ready to go to Beirut and Nicaragua to kill like Rambo.

At the aforesaid roundtable conference, (Hainopski), a movie director from the GDR, affirmed: "In Vietnam, the United States had no hero, only jungle bandits of Rambo's type." The paper (TIME) commented: "With the movie 'Rambo,' they (the American reactionaries) can, by cinematographic means, turn defeat into victory; and their imagination has allowed them to achieve what they could not in real life."

Why did the United States try to send the movie "Rambo" to San Sebastian? Because the San Sebastian film festival is the world's major festival of artistic films (in this regard, it surpasses the film festival in Cannes, France, which pays more attention to a film's commercial success rather than its artistic value). It is also because this San Sebastian film festival introduced a special theme "the Vietnam war in the eyes of film makers of the world." Ten countries sent their films under this special theme. Vietnam sent a total of seven films which made a strong impression in Spain. They included a film about a Vietnamese citizen (The Foresaken Field), a film about a Vietnamese soldier (The Way to Mother's Native Place), a film about the tragic fate of henchmen of the United States (The Orange Bells), a film about victory over B-52's, a film about the tunnels in Vinh Linh, a film about the Truong Son trials, and a film about U.S. toxic chemicals.

The American film industry sent a total of 22 films (excluding the movie "Rambo," which was disqualified). They included "Armageddon," "The Cowards," "The Deserters," "The Insane War," "Vietnam, How Did We Get In and How To Get Out?" "Jane Fonda in Vietnam," "The People's War,"... Of these films, some are progressive, but not a few of them use the story of Vietnam for commercial purposes. At first, three films with a reactionary and bad character—like that of "Rambo"—were entered in the festival. They are "The Deer Hunter," "Vietnam, Vietnam," and "The Green Berets." Faced with the common feelings of the festival, the organizing committee later rejected "The Deer Hunter" and "Vietnam, Vietnam," leaving only "The Green Berets." After having seen scores of films truthfully depicting Vietnam by directors from Cuba, the GDR, and the Soviet Union and by some American directors, and seven Vietnamese films, people went to see "The Green Berets" and a number of other reactionary and capitalist films out of curiosity, but they often left well before these films were finished. The Spanish people found these films to be ridiculous. Some films had an audience of only five toward the end (including two Vietnamese delegates who sat as observers).

Mr (Antson Es.aya), chairman in charge of the films on Vietnam, concluded: "Obviously, now is the right time to collect from all countries feature and documentary films about Vietnam. It is also obvious that some problems must be resolved concerning the objectiveness and quality of films. However, the first issue--objectiveness--has resolved itself. Virtually all the films of the two conflicting groups in Vietnam are aimed at the same goal: "To denounce the U.S. aggression... The collection of films about that war does not cause much debate as in other cases..." It is clear that most of the world's movies stand by Vietnam's just cause and oppose the U.S. aggressors.

It should be noted that the San Sebastian film festival is a big event of the capitalist movie industry. The Vietnamese films that originate from the struggle of the Vietnamese people found a firm place there.

President Reagan wants to Ramboize the U.S. movie industry and to Ramboize the majority of U.S. youths, but this is quite beyond his capability.

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INTERNATIONAL RELATIONS, TRADE, AND AID

PRK NEWS CONFERENCE HELD ON WHITE BOOK PUBLICATION

OW170949 Hanoi VNA in English 0733 GMT 5 Dec 85

[Text] Hanoi, 5 Dec (VNA)—A thorough analysis of an undeclared war waged against the People's Republic of Kampuchea through the medium of the genocidal Pol Pot clique and other Khmer reactionaries was provided to local and foreign media workers in Phnom Penh Wednesday afternoon, reports SPK.

During a news conference, Kong Korm, first deputy foreign minister, briefly introduced to the participants an eight-part white book published by the foreign ministry, which named U.S. imperialism, Beijing hegemonism, the ruling circles in some ASEAN countries, particularly ultra-rightists in Thailand, as authors of this war.

The first deputy foreign minister pointed out that the enemy had tried very hard to halt the advance of the Kampuchean revolution. But the People's Republic of Kampuchea remains firm and is developing and growing stronger.

He stressed on the factor of the Kampuchean people's victory, that is their own efforts in national defense and construction, the strategic alliance of the three Indochinese countries especially the militant solidarity between Kampuchea and Vietnam, and the valuable assistance and support of the fraternal socialist countries and other friendly countries.

The Kampuchean people are confident in the certain success of the revolutionary transformation of their country, and all schemes of the enemies are doomed to failure, Kong Korm stressed.

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CSO: 4200/403

INTERNATIONAL RELATIONS, TRADE, AND AID

FRANCE-VIETNAM FRIENDSHIP ASSOCIATION AIDS FLOOD VICTIMS

Hanoi QUAN DOI NHAN DAN 21 Oct 85 p 4

[VNA News Release: "Support for Our People in Their Effort To Overcome the Aftermath of the Typhoon and Flooding"]

[Text] On the morning of 16 October, Mr. Sac-lo Phuoc-ni-o [Vietnamese phonetics], general secretary, and Mrs. Francoise Di-re [Vietnamese phonetics], secretary of the France-Vietnam Friendship Association, visited our embassy in France and met with Ambassador Ha Van Lau to express the association's solidarity with our people in the areas recently stricken by floods and express their confidence that, together with the people of the rest of the country, flood victims will quickly overcome the aftermath of this natural disaster. Mr. Sac-lo Phuoc-ni-o presented Ambassador Ha Van Lau with a check for 40,000 francs to help flood victims repair damaged schools and public health facilities. This is the first sum of money presented by the France-Vietnam Friendship Association in its fund drive to support our fellow countrymen.

Ambassador Ha Van Lau thanked the France-Vietnam Friendship Association for its valued expression of concern for our people and its fitting contribution to them.

On the same day, Nguyen Dinh Lam, an overseas Vietnamese residing in the Paris area, visited the embassy and presented Ambassador Ha Van Lau with one check in the amount of 500 francs to help flood victims and one check in the amount of 25,000 francs to help build and defend the fatherland.

On 11 November, Mrs. Ma-ri [Vietnamese phonetics] and her son Gion Uyn-CON [Vietnamese phonetics], presented to our embassy in Great Britain the sum of 100 pounds sterling to help our fellow countrymen repair the damage caused by the recent floods and expressed the hope that our people will quickly overcome this destruction.

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INTERNATIONAL RELATIONS, TRADE, AND AID

BRIEFS

LAO PROVINCIAL COOPERATION—Hanoi, 14 Dec (VNA)—Ha Nam Ninh province about 90 km southeast of Hanoi will increase its economic cooperation with its Lao sister province of Oudomsai. A plan for cooperation in 1985 was discussed during a recent working visit to Oudomsai by a delegation of Ha Nam Ninh's Party and People's Committees led by the chairman of the People's Committee, Dinh Gia Huan. In 1986, Ha Nam Ninh will help Oudomsai build six projects covering a wide range of social and economic activities, from agriculture, industry, transport and communications, water conservancy, public health, and education. It will also send experts to Oudomsai to help in the management of agricultural cooperatives, in building the local industry and in social and cultural development. Oudomsai, in return, will supply its Vietnamese sister province with forestry and other products. [Text] [Hanoi VNA in English 0729 GMT 15 Dec 85 OW] /9738

EDUCATIONAL CONFERENCE IN POLAND—Hanoi, 16 Dec (VNA)—A Vietnamese delegation led by Luong Ngoc Toan, vice minister of education, has attended the Sixth Conference of Ministers of Education of Socialist Countries held recently in Krakow, Poland. The participants discussed the role of general education schools in the present ideological struggle. They brought out the pressing and important significance of socialist schools and the whole system of education in the struggle "who will win" between socialism and imperialism on the ideological field. The conference worked out a program of educational cooperation among the socialist countries in the 1986-90 period and adopted a joint statement calling on all teachers, school children's parents and progressive forces throughout the world to close their ranks in the struggle for a lasting peace and children's happiness, against the arms race, nuclear weapons, the U.S.-initiated program of 'star wars', and all acts of aggression by imperialism on the ideological field. The seventh conference will be held in Mongolia in 1987. [Text] [Hanoi VNA in English 0745 GMT 17 Dec 85 OW] /9738

SOVIET-VIETNAMESE MUSEUM—Hanoi, 17 Dec (VNA)—The Soviet-Vietnamese Friendship Museum opened in Kharkov, the Ukrainian Soviet Socialist Republic, on 14 December. It is jointly sponsored by the students of the Secondary School Number 8 and Vietnamese workers now practicing at various factories in Kharkov. More than 800 exhibits displayed at the museum have depicted the life, work and struggle of the Vietnamese people and their achievements in socialist construction. [Text] [Hanoi VNA in English 0706 GMT 17 Dec 85 OW] /9738

NEW DUTCH AMBASSADOR--Hanoi, 16 Dec (VNA)--Arnold Peter Van ...ous, ambassador extraordinary and plenipotentiary of the Kingdom of Holland to Vietnam, today presented his credentials to Nguyen Huu Tho, vice president of the State Council. After the presentation ceremony, Vice President Nguyen Huu Tho had a cordial talk with the Dutch diplomat. Present on the occasion was Minister Vo Dong Giang. [Text] [Hanoi VNA in English 0751 GMT 17 Dec 85 OW] /9738

NEW ZEALAND ENVOY--Hanoi, 16 Dec (VNA)--Bruce Macdonald Brown, ambassador extraordinary and plenipotentiary of New Zealand to Vietnam, today presented his credentials to Vice President of the State Council Nguyen Huu Tho. The vice president had a cordial talk with the New Zealand diplomat. Present on the occasion was Minister Vo Dong Giang. [Text] [Hanoi VNA in English 0753 GMT 17 Dec 85 OW] /9738

LAO EDUCATION DELEGATION--Hanoi, 16 Dec (VNA)--A delegation of the higher party school of Laos led by its director Chanmi Douangbouthdi, member of the Lao people's revolutionary party Central Committee, has paid a week-long visit to Vietnam at the invitation of the directorial board of the Nguyen Ai Quoc higher party school. A cooperation program between the two schools for the two years ending 1987 was signed on this occasion. Under this program, the Nguyen Ai Quoc higher party school will help train Lao cadres in regular long-term and post-graduate courses. The two schools will exchange lecturers, documents and experience in teaching and scientific research. The Lao delegation visited several economic, industrial and agricultural establishments in Hanoi. Hoang Tung, secretary of the Communist Party of Vietnam Central Committee, cordially received the Lao guests. Present at the reception were Nguyen Duc Binh, member of the CPVCC and director of the Nguyen Ai Quoc higher party school, and deputy directors of the school. [Text] [Hanoi VNA in English 0748 GMT 17 Dec 85 OW] /9738

VAN TIEN DUNG ON DEATH OF COUNTERPART--Hanoi VNA 20 Dec--General Van Tien Dung, Vietnamese minister of national defence, today extended his condolences to the Hungarian Ministry of National Defence over the death of General Istvan Olah, member of the Hungarian Socialist Workers' Party Central Committee and minister of defence. General Van Tien Dung's message of condolences says: "We will forever remember General Istvan Olah for the fine sentiments and precious assistance he reserved for the Vietnam People's Army in our anti-U.S. war for national salvation in the past as well as our national construction and defence at present." [Text] (Hanoi VNA in English 1508 GMT 20 Dec 85 BK) /12712

SOVIET WAR VETERANS END VISIT--Hanoi VNA 21 Dec--A delegation of the Soviet Committee for War Veterans led by its presidium member Igor Ozmidov paid a week-long visit to Vietnam ending today. While here, the delegation, guest of the Vietnamese Ministry for Disabled Soldiers and Social Affairs, paid tribute at the Ho Chi Minh mausoleum and visited the late president's home and office here. The delegation met with a number of revolutionary and war veterans and exchanged experience in war veterans' activities. The guests visited various cultural and social establishments in Hanoi and Ho Chi Minh City. It was warmly received by Song Hao, member of the Communist Party of Vietnam Central Committee and minister for disabled soldiers and social affairs. [Text] [Hanoi VNA in English 0715 GMT 21 Dec 85 OW] /12712

DELEGATION PAYS LAST RESPECTS TO OLAH--Hanoi VNA 21 Dec--A delegation of the National Defence Ministry led by General Hoang Van Thai, member of the Communist Party of Vietnam Central Committee and vice-defence minister, has called on the Hungarian Embassy here to pay its last respects to General Istvan Olah, the late Hungarian defence minister. [Text] [Hanoi VNA in English 1458 GMT 21 Dec 85 OW] /12712

SOVIET LECTURERS END VISIT--Hanoi VNA 21 Dec--A two-member team of lecturers of the Communist Party of the Soviet Union Central Committee left here today after a visit to Vietnam. The team included A.D. Sutov, highlevel specialist of the party C.C.'s propaganda committee and lecturer of the party C.C.; and A.I. Trapakin, assistant to the chairman of the Soviet State Planning Committee. They gave lectures on the "draft documents of the 27th Congress of the Communist Party of the Soviet Union and the orientations for the socio-economic plan for 1986-90 through to the year 2000." The Soviet lecturers were received by Dao Duy Tung, member of the party C.C. and head of its commission for propaganda and training. [Text] [Hanoi VNA in English 1459 GMT 21 Dec 85 OW] /12712

TEA PRODUCTION AGREEMENT SIGNED--Hanoi VNA 21 Dec--An agreement on Vietnam-Poland cooperation in tea production within 20 years starting from 1986 was signed in Hanoi yesterday by Mrs Luu Thi Phuong Mai, vice-minister of food industry, and Polish Ambassador to Vietnam Marian Ejma Multanski. [name as received] Under the agreement, Poland will supply Vietnam with machinery equipment, spare parts, materials, chemicals and other commodities to plant tea on 3,000 hectares. In return, Vietnam will supply Poland with black tea. [Text] [Hanoi VNA in English 0713 GMT 21 Dec 85 OW] /12712

ROMANIAN LEADER MEETS BUCHAREST AMBASSADOR--Hanoi VNA 20 Dec--Nicolae Ceausescu, secretary general of the Romanian Communist Party, president of the Socialist Republic of Romania, has recently received in Bucharest Hoang Tung, secretary of the Communist Party of Vietnam Central Committee, who is attending the conference of party secretaries of socialist countries there. At the reception, N. Ceausescu and Hoang Tung spoke of the fine relationship between the two countries and expressed their wish for its further development and consolidation. They also exchanged views on some international issues. [Text] [Hanoi VNA in English 0821 GMT 21 Dec 85 OW] /12712

ITALIAN GOVERNMENT STORM RELIEF--Hanoi VNA 18 Dec--The Government of the Republic of Italy has donated 50,000 liras (about U.S. dollars 29,500) as relief to the storm-stricken people in Binh Tri Thien Province, central Vietnam. The sum was handed over to Vietnam through the Office of the United Nations Disaster Relief coordinator (UNDRO). [Text] [Hanoi VNA in English 0839 GMT 19 Dec 85 OW] /12712

OUTGOING AUSTRALIAN ENVOY RECEIVED--Hanoi VNA 19 Dec--Vice President of the State Council and Chairman of the National Assembly Nguyen Huu Tho received here today Australian Ambassador extraordinary and plenipotentiary to Vietnam Richard Philip Broinowski, who paid him a farewell visit before his departure for a new assignment. Vice President Nguyen Huu Tho had a cordial conversation with the Australian diplomat. [Text] [Hanoi VNA in English 1518 GMT 19 Dec 85 OW] /12712

ASSISTANCE TO LAOS--After completing the construction of a 67-km long portion of asphalt road on the (Nam Neun-Muang Hiem) route, road construction No. 572 has begun to build Route 8, a project under the Vietnam-Laos cooperation program. The enterprise has quickly built more than 4,500 square meters of living quarters and warehouses in support of the construction of the new route. [Summary] [Hanoi Domestic Service in Vietnamese 0500 GMT 12 Dec 85 BK] /9738

LONG AN AGRICULTURAL TRANSFORMATION--Long An Province now has 23 cooperatives and more than 2,600 production collectives. These organizations have absorbed nearly 90 percent of peasant families and cultivated land in the province. [Summary] [Hanoi Domestic Service in Vietnamese 0500 GMT 12 Dec 85 BK] /9738

MOSCOW CEMA MEETING--According to TASS, delegations to the 41st special CEMA session, scheduled to open on 17 December, have arrived in Moscow. The Vietnamese delegation is headed by Comrade To Huu, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers. [From the review of NHAN DAN for 18 December] [Text] [Hanoi Domestic Service in Vietnamese 0030 GMT 18 DEC 85 BK] /9738

SRV-POLISH AGREEMENT--Hanoi, 17 Dec--An agreement on Poland's assistance to Vietnam in rubber production in the 1986-90 period was signed here today. Signatories were Do Van Nguyen, member of the Communist Party of Vietnam Central Committee and head of the Vietnam General Department of Rubber, and Muriel Ejma-multanski, Polish Ambassador to Vietnam. The signing ceremony was witnessed by Tran Phuong, member of the CPV Central Committee and vice chairman of the Council of Ministers. Under this agreement, Poland will lend Vietnam money to buy machines, equipment, spare parts, materials and chemical products for growing 10,000 ha of rubber in southern provinces in the five years to come. [Text] [Hanoi VNA in English 0828 GMT 18 Dec 85 OW] /9738

CSO: 4209/169

PARTY ACTIVITIES AND GOVERNMENT

NGUYEN VAN DUC ARTICLE ON SITUATION IN HA TUYEN

OW230757 Hanoi VNA in English 0728 GMT 23 Dec 85

[Text] Hanoi VNA Dec 23--Following are excerpts from an article written for NHAN DAN daily recently by Nguyen Van Duc, member of the Central Committee of the Communist Party of Vietnam and secretary of Ha Tuyen Province's Party Committee:

Sharing 270 km of borderline with China, Vietnam's northern border province of Ha Tuyen is daily having to cope with the multi-faceted war of sabotage and land-nibbling attacks of the Chinese expansionist that is why the local people have to simultaneously carry out two strategic tasks, namely socialist construction and national defence.

The districts of Ha Tuyen Province have to build an agro-sylicultural-industrial structure for on-the-spot logistics while fighting back against enemy aggression.

The foremost task of the highland border districts is to consolidate and build the local army, militia and security forces, and set up fighting villages. At the same time, they are sparing no efforts to boost food production and the production of specific crops of high economic value for export, to ensure the people's living standard and, moreover, to lay the material and technical foundations for socialism.

Meanwhile, the most important task of the rear districts is to develop agro-sylicultural-industrial production. At the same time, they must also build the armed forces to fight at the border

The policy of building "on-the-spot" logistics has proved judicious in the people's war. Many highland northern districts such as Meo Vac, Dong Van... facing unfavourable condition production not only have become sufficient in food but also have surplus food partly to procure to the state and partly for reserve and, moreover, produced millions of dong worth of export commodities. Some villages have even built hydro-electric power stations right under the enemy's eyes.

The province is now focusing its efforts on practicing intensive farming, crop multiplication, and expanding food crops while developing the strong

points of the highland districts in service of food production and for export. This year Ha Tuyen Province exceeded its yearly plan for food production by 30,000 tons, an all-time high so far.

Along with food production, the province has boosted stock-breeding and industrial crop production for export. It has widened the areas under tea, cinnamon, tung and lacquer as well as fruit trees. Moreover, remarkable changes have taken place in industrial and handicraft production.

These achievements stem, first of all, from the leadership of the party and the great efforts of the local party organizations. The political tasks were closely combined with the building and protection of the party.

A broad mass movement is developing with the party organizations as the core. All units, party members and people clearly understand that they are working for the whole country to defend the border and themselves, in war as well as in peace.

The province is conducting a movement to raise food for the border to over-fulfill its military obligation to the state.

Adequate attention has been paid to widening the party membership among the workers, co-op members, militiamen and women.

The Provincial Party Committee has sent experienced cadres to district party committees and trained more cadres for the districts.

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CSO: 4200/436

PARTY ACTIVITIES AND GOVERNMENT

NHAN DAN MARKS VIETNAM LIBERATION FRONT FOUNDING

OW210855 Hanoi VNA in English 0808 GMT 21 Dec 85

[Text] Hanoi VNA Dec 20--On the 25th anniversary of the founding of the South Vietnam National Front for Liberation (Dec 20, 1960), Nguyen Huu Tho, vice president of the State Council and chairman of the National Assembly, ex-president of the Presidium of the Central Committee of the South Vietnam National Front for Liberation, wrote in NHAN DAN today:

"In 1959, Ngo Dinh Diem, henchman of the United States, issued the fascist law "10-59". The South Vietnamese people, first of all the people in the provinces of Ben Tre, Dinh Tuong, Kien Phong and Longan, launched "concerted uprisings" in the countryside to seize power over a wide area, breaking the U.S.-Diem "prosperity zone" national policy."

This situation posed a new and urgent demand for the whole of South Vietnam namely to rally all patriotic forces under a single banner in order to develop the successes already achieved, create stronger posture and force to cope with all contingencies and continue taking the revolution in the south towards complete victory.

"Under the guidance of the Central Committee of the Communist Party of Vietnam, the South Vietnam National Front for Liberation was founded in such circumstances.

"The front was 15 years old when it accomplished its historic mission in 1975. In those 15 years, the front was the sole representative of the patriotic movement of the south, rallying under its banner or entering into coalition with other organizations such as the Alliance of National, Democratic and Peace Forces, various mass movements and organizations operating in enemy-held areas such as the Progressive Nationalist Force, the Movement for National Self-determination, the Movement for Peace, the Movement for the Defence of the National Culture, the General Labour Union, the Private Teachers' Trade Union, the Women's Union for the Defence of Dignity, the General Union of Students and the Committee for Improvement of the Prison Regime... as well as the armed forces of different religious groups of patriotic tendency, and even a number of the officers who took part in the overthrow of the dictator-puppet Ngo Dinh Diem in 1960. The front also exerted its influence on many opposition forces in the U.S.-puppet administration and National Assembly, and on the mass media, culture and arts in enemy-held areas.

Special stress must be laid on the external relations of the front: shortly after its founding, the front was recognized by the socialist countries, a number of nationalist countries, and a number of international organizations. In particular, the front kept in close touch with the anti-war movements in the capitalist countries, especially in the United States.

In the 15 years from its founding to the time when it was integrated in the Vietnam Fatherland Front which symbolizes the national unity in the carrying out of the new strategic task of the whole country, namely to build socialism, the South Vietnam National Front for Liberation accomplished its mission in the context of an extremely bitter fight full of sacrifices but also full of excitement and of epic stories of tens of million of Vietnamese, in the south and in the north. The all-pervasive thing is that all through those 15 years, the Vietnamese people took up the challenge of U.S. imperialism, the chieftain of the imperialists, in a war the scale of which exceeded all wars conducted by the United States outside its border, except the second world war.

The name of the South Vietnam National Front for Liberation is indissolubly linked with an unforgettable period in the history of our country.

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CSO: 4200/436

PARTY ACTIVITIES AND GOVERNMENT

PHAM HUNG THANKS FOR PROPAGANDA ON ALCOHOLISM

OW171346 Hanoi Domestic Service in Vietnamese 1100 GMT 16 Dec 85

[Text] Dear friends: Recently, right after the Ministry of Interior issued Directive No. 76 prohibiting alcohol use by cadres and combatants in the public security force, the Voice of Vietnam introduced the directive and has timely reflected the response by all sectors and localities to this bold policy of practical significance.

Sometime after the promulgation of the directive, the Voice of Vietnam, along with the public security sectors' initial review on the implementation of the directive, has made a timely initial review of the status of the campaign on banning alcohol use and moonshining across the country, based on the reports received, and has sent the results to the Ministry of Interior so that experience could be drawn and the campaign could be further stepped up.

Comrade Pham Hung, member of the Political Bureau and vice chairman of the Council of Ministers and concurrently Minister of Interior, has sent to the Voice of Vietnam the following letter in which he clearly expresses his opinion on the issue. The letter reads:

Hanoi
4 December 1985

Cordially to Comrade Tran Lam and the other comrades in the Voice of Vietnam Editorial Board,

I have received Comrade Tran Lam's 29 November 1985 letter, along with the Voice of Vietnam Editorial Board's report on the launching of a propaganda drive in response to the Ministry of Interior's decision banning alcohol use in the People's Public Security Force.

The Voice of Vietnam is the first mass media organ that broadcast the decision and notice of the Ministry of Interior. Later, it has continually reported on the response to the said decision by many public security cadres and combatants, many localities, and many sectors. Also, it has carried many commentaries analyzing in a rather thorough manner the bad effects of alcohol on man's health and behavior, on family happiness, on

society's good morals and customs, and on the national economy. Those commentaries have been sympathized with and supported by large numbers of listeners.

I very much welcome your work. Getting rid of alcoholism, drunkenness, and moonshining is a pressing sociopolitical issue. However, it is also a long, complex struggle involving forcible, educational, and persuasive measures applied in many lively and effective forms. In the people's public security force, the decision banning alcohol use has been carried out scrupulously and very encouraging initial results have been achieved. However, the campaign must be carried on vigorously, using persistent and resolute measures, in order to attain the set objectives.

I hope that you, comrades, will continue to further step up propaganda for building the people's public security force in accordance with the venerated and beloved Uncle Ho's six teachings for the People's Public Security Force as well as propaganda for the campaign against alcoholism in that force. Meanwhile, propaganda and motivation must be made to encourage the provinces, municipalities, precincts, districts, and armed forces, the enterprises and organs that have issued decisions prohibiting cadres, workers, and civil servants from using alcohol and moonshining. It is necessary to motivate many areas and many organs and enterprises to simultaneously carry out the campaign and expand it in an organized manner and with proper leadership.

I wish you, comrades, good health and many new achievements.

Cordial salutations.

[signed] Pham Hung

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CSO: 4209/169

PARTY ACTIVITIES AND GOVERNMENT

LE QUANG DAO ATTENDS COLLEGE ANNIVERSARY

BK210008 Hanoi VNA in English 1502 GMT 20 Dec 85

[Text] Hanoi VNA Dec 20—A ceremony was held here this morning to mark the 40th anniversary of the Hanoi Fine Arts College.

It was attended by Huynh Tan Phat, vice-president of the State Council; Le Quang Dao, secretary of the Communist Party of Vietnam Central Committee and head of its Commission for Science and Education; Tran Do, member of the C.P.V. C.C. and director of the National Assembly's Commission for Culture and Education; Ha Xuan Truong, alternate member of the C.P.V. C.C. and head of its Commission for Arts and Culture; Nguyen Van Hieu, minister of culture; Professor Doctor Tran Van Can, president of the Vietnam Plastic Arts Workers' Association and many other officials. In his commemorative speech, Professor Nguyen Thu, director of the college, brought out the college's achievements and developments over the past 40 years as well as its experience and lessons in training fine arts cadres for the country.

Under the guideline of "education in [word indistinct] association with the social life," ever since its foundation, the college has always made its instructors and students practice what they had learnt at school in every part of the country in order to make sketches and bring fine arts to the service of the people and army.

Throughout the 40 years of its development, the teachers and students of the college have had 7,000 works displayed at 110 major fine arts exhibitions at home and abroad. Thirty-three (31) [as received] of these works have won awards at various national fine arts exhibitions and 29 others have got prizes at posters exhibitions or exhibitions for specialized genres. Painters such as Nguyen Thu, Pham Van Don, Tran Viet Son... who were once students of the college and are now its staff members won prizes in various international fine arts exhibitions.

Also in its forty years of existence, 23 cadres and students of the college have laid down their lives in the two national wars of resistance against the French and U.S. aggressors. These included To Ngoc Van, a noted painter in Vietnam and the first director of the college.

On this occasion, the Hanoi Fine Arts College was awarded the "Order of Independence," Third Class, by the State Council. The presentation was made at the ceremony by Huynh Tan Phat.

Also on this occasion, the college has opened an exhibition of selected works created by its teachers and students over the past 40 years.

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CSO: 4200/436

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

DOAN TRONG TRUYEN TO HEAD COMMITTEE--Hanoi VNA Dec 21--The Fifth National Congress of Heroes, Heroines and Merit Workers will be convoked from January 16-18, 1986. The Council of Ministers also decided to set up the organizational committee with Minister Doan Trong Truyen, secretary-general of the Council of Ministers as its head, and Nguyen Tho Chan, head of the party Central Committee's commission for emulation as deputy head. On this occasion, the National Emulation Council has decided to launch a month-long emulation drive beginning January 1, 1986 with a view to encouraging every labourer to do their best to fulfill their tasks and achieve many great achievements in anticipation of the congress, and the 56th anniversary of the Communist Party of Vietnam. [Text] [Hanoi VNA in English 0719 GMT 21 Dec 85 OW] /12712

OFFICIALS GREET CEMA DELEGATION--Hanoi VNA Dec 21--The Vietnamese Government delegation led by To Huu, political bureau member of the C.P.V. Central Committee and vice chairman of the Council of Ministers returned here this morning after attending the 41st special session of the C.M.E.A. It was met at the presidential palace by Pham Van Dong, political bureau member of the party C.C. and chairman of the Council of Ministers; Vo Van Kiet, political bureau member of the party C.C., vice chairman of the Council of Ministers and chairman of the State Planning Commission; Do Muoi, political bureau member of the party C.C. and vice chairman of the Council of Ministers; La Quang Dao, secretary of the party C.C. Vu Quang, member of the party C.C. and head of its international department, Hoang Bich Son, vice minister for Foreign Affairs, and other senior officials. Soviet Ambassador B.N. Chaplin was also present on the occasion. [Text] [Hanoi VNA in English 1455 GMT 21 Dec 85 OW] /12712

CSO: 4200/436

ECONOMIC PLANNING, TRADE, AND FINANCE

STATE SERVICE SECTORS INHIBITED BY GROWTH IN PRIVATE SERVICES

Hanoi QUAN DOI NHAN DAN in Vietnamese 21 Oct 85 p 3

[Article by Xuan Minh: "Managing the Market and Prices in Support of Everyday Life and Production: Developing and Transforming the Service Network, an Urgent Task at This Time"]

[Text] Service activities are closely associated with production and everyday life. These activities are always developing and being improved in accordance with the specific circumstances of each area, of the level of economic, cultural and social development of each country.

At present, service activities in our country are developing more strongly with each passing day, especially in the municipalities and tourist centers, such as Hanoi, Haiphong and Ho Chi Minh City, the Vung Tau-Con Dao Special Zone, Quang Nam-Da Nang, Da Lat, etc.

The service network that is developing in our country consists of the service system managed by the state and collectives and private services doing business in the fields of public food, technical services, administration, ready-made clothing, repair services, art services, etc. The socialist service system has been formed and has developed strongly, especially since 1975. Practically all large municipalities have organized their service network into precinct and district level service corporations. Today, as a result of the efforts made to develop the service network, the country has more than 5,000 basic service units and centers managed by the state. Hanoi has 8 service corporations and more than 200 service centers. Ho Chi Minh City has 12 service corporations and nearly 250 service centers. The annual business revenues of the service sector amount to hundreds of millions of dong.

Generally speaking, the socialist services have developed strongly and made many efforts to participate in controlling the market within such essential sectors as public food, tailoring, haircutting, motorbike repair, the repair of electronic equipment, the business in used goods, technical services, etc. Many basic units doing business in the service sectors have achieved high productivity, quality and efficiency and have the trust of the people. However, the service system being managed by the state is still marked by many limitations. Despite the efforts that have been made by the provinces and

municipalities to develop many service centers serving the people, the service network is still very small compared to requirements. According to preliminary statistics, even in the major municipalities, such as Hanoi, Ho Chi Minh City and Haiphong, the service sectors managed by the state only account for 1.5 to 5 percent as much in revenues as the private services do. On the other hand, the quality of service and the level of specialized technical skill of many basic units are still limited. Deserving of attention is the fact that some service centers of the state, especially many centers managed by marketing cooperatives, are still ignoring directed prices and charging free market prices.

The private services are a major part of the service business in our country today. It can be said that the rather plentiful and diverse private services can meet every service need. They are flexible in the way they do business, doing business at all hours of the day, have the ability to obtain many types of materials, spare parts and components and have the technical skill needed to perform complex jobs. If they comply with the rules and regulations of the state on the registration of businesses, on industrial and commercial taxes, on state directed prices..., the activities of the private services will make positive contributions in satisfying the service needs of society. However, beside having a number of positive aspects, there is very much that is negative about the private services that must be transformed. In addition to those persons who hold business licenses, there are many persons who are still operating secretly and evading taxes and are not under the control of the state. The private services also take advantage of changes in living conditions and scarcities of supplies and raw materials to raise prices and pressure consumers, thereby disrupting prices and the social market.

At present, the private services are developing strongly. In Ho Chi Minh City alone, there are now nearly 20,000 households and 35,000 laborers doing business in the services. Their total business revenues are in the tens of billions of dong. In Hanoi and Haiphong, there are also tens of thousands of households doing business in the service sectors...

The development of the services in recent years has met some of the needs of everyday life. However, the steady rise in the needs of production and everyday life together with the latest improvements to the price, wage and monetary policies make it an urgent necessity that we quickly develop the organized service network and transform the private service network, thereby helping to stabilize and gradually improve the standard of living of cadres and the people.

To develop and transform the present service network with the aim of serving cadres and the working people well, the state-operated and marketing cooperative service network must be expanded, must grow and gain control over the market.

Every aspect of consumer needs must be surveyed. On this basis and on the basis of the actual capabilities that exist from the standpoint of material bases, technical labor and sources of capital, we must plan the gradual expansion of the socialist service network. In the immediate future, efforts must be focused on those service sectors that are related to the essential,

daily needs of each citizen. Then, efforts should be expanded to all other fields of life. While developing the organized services, importance must be attached to all forms of state-operated enterprises and cooperatives and all forms of joint businesses between the state and private businessmen. Recent facts have shown that the organized services have yet to gain control of the market and are still being outdone by the private services.

Why does this situation exist? While the organized services have many advantages in their favor, such as being situated at good locations, enjoying preferential treatment from the standpoint of taxes, capital and so forth, the main reason for this situation is that the quality of their service is still low.

This quality consists of a combination of things, from the quantity and quality of the products they offer, from the convenience with which the service can be obtained to the attitude of service personnel. The weakest aspects of the quality of the service provided by the organized services are the attitude of service personnel and the convenience with which services can be obtained. Therefore, besides expanding the network, special importance must be attached to the quality of service, to teaching all service personnel the civilized style of commerce. Organized service activities must be boldly shifted to cost accounting. The prices charged by the organized services must be reasonable, must be in line with that for which the service is being provided, with the requirements of customers. Price scales must be closely checked and managed in order to serve cadres and the people well. A determined effort must be made to combat arbitrary price increases.

To develop and improve the present service network, it is also necessary to manage the service market well. The management of the private services must be strengthened by eliminating the negative phenomena within the private services, such as the growth in illegal organizations and businesses set up to evade taxes, unlawful wholesale operations, conspiring to raise prices, enticing persons into supplying them with goods that belong to the state and so forth, and insuring that they do business in the right sector, post prices and do business at posted prices. Localities must reorganize and restructure the private service sectors and trades. Important sectors and trades must gradually be transformed and brought within cooperatives or joint businesses with the state. In the process of transformation, it is especially necessary to combat the "form for form's sake" approach, that is, the establishment of phantom cooperatives and joint businesses that are joint businesses in name only, which reduce the prestige associated with organized service activities.

The measures presented above will help to develop and improve the present service network in order to serve the daily needs of cadres and the working people better.

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CSO: 4209/157

ECONOMIC PLANNING, TRADE, AND FINANCE

HO CHI MINH CITY DISCUSSES RESOLUTION 8

Hanoi NHAN DAN in Vietnamese 13 Oct 85 pp 1,4

[Article: "Ho Chi Minh City Discusses Action Program To Carry Out Resolution 8 and Complete 1985 Plan"]

[Text] From 8 to 11 October, the Ho Chi Minh Municipal Party Committee held the tenth conference aimed toward even more thoroughly understanding the basic content of Resolution 8, adopting the action program of the party organization and the people of the city, and urgently carrying out in life Resolution 8 and the decisions on prices-wages-money in concert with carrying out resolutions 6 and 7 from the Party Central Committee.

The conference was unanimous that the party organization, state machinery and all the people must be fully and precisely aware of the thorough and profound revolutionary significance of Resolution 8 and specific decisions on prices-wages-money, and clearly see the harmful effects of the management mechanism under the bureaucratic centralism and grant model with respect to socioeconomic development and the life of the working class, farming class and laboring people. On the basis of clearly and thoroughly understanding the basic thoughts and viewpoints of Resolution 8 and the guiding thoughts of the Political Bureau, clearly recognize the tremendous advantages brought by Resolution 8 and the temporary difficulties at the outset with a view toward creating high unanimity within the party organization and among the people of the city, and true confidence and effort to carry out the Resolution. They must openly declare to the masses the tremendous difficulties of the country, the things awry, and even the initial shortcomings in providing guidance for implementation, and hold discussions with the masses so that they contribute together with the state toward undoing entanglements and difficulties, and expose and sternly punish reactionaries, speculators, and black marketeers who disrupt the market.

The conference unanimously adopted the action program to carry out Resolution 8. Regarding industrial production, it reviewed investment in industrial sectors, including small industry and handicrafts and, especially, sectors: bringing large output value

and high economic effectiveness and rapidly and vigorously developing capabilities in the production of consumer goods, export goods, and repair machinery; gradually building up the manufacturing machinery sector; having to confront the oil and gas and the rubber industry, and preparing conditions to enter into production from these two sources of raw materials; studying the need and psychology for consumption of domestic and foreign industrial goods in order to determine the direction of the city's industrial production.

Actively mobilize sources of capital and the skills of the people and, with appropriate policy, borrow capital from abroad through the foreign trade banking policy of the central government, or permit the establishment of separate branches to import machinery, equipment, material, etc., to create industrial sectors for export processing and to support production. Urgently implement division of labor and decentralization, ensuring that installations are truly active in production and business. For precincts, districts and installations producing export goods, ensure the right to use foreign currency generated after completion of obligations.

Regarding agriculture, we must rapidly invest in agricultural development and in building up the rural area outside the city to create a food and industrial crop belt to support production, export, and the life of the city people, to build districts according to the agriculture industry economic structure, etc.

The conference in particular held considerable discussion about the role and responsibility of distribution and circulation sectors, a very important front guaranteeing implementation of Resolution 8 and the decision on prices-wages-money. We must quickly develop socialist trade in breadth and depth, rise up to become master of the marketplace and master of prices, and have active procedures and policies on the consumption of industrial products. We must organize and rearrange the trade network, abolish long-distance private trading, improve the behavior and promptness of service, especially retail sales by neighborhood teams and agency canteens, and have enterprises devote even more attention to guiding market management in subwards and rural markets. Continue in an urgent and stable manner the work of reforming private trade, selecting transitional economic forms, and carrying them out in the proper step, and improve the political quality and composition of the laboring people in these forms; consider the responsibility to combat speculation, black marketing, theft of state property, and the making of counterfeit goods to be a decisive struggle of prime significance and importance on the distribution and circulation front aimed toward stabilizing prices, guaranteeing the value of the money and real wages of state cadres, workers, civil servants, etc. Urgently carry out the rearrangement of wages, guarantee that the new method of calculating wages does not reduce the income of the wage earner, etc.

With a high sense of responsibility for socioeconomic development throughout the country, in the face of serious natural calamities having notable impact on the overall economy, and developing the new, far-reaching dynamics brought by Resolution 8, the 10th Plenum of the Ho Chi Minh City Vietnam Communist Party Committee is unanimously maintaining the plan norm with respect to the 1985 value of industrial production and the norms with respect to agriculture and other aspects of society.

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AGRICULTURE

FINANCIAL PROBLEMS OF IRRIGATION ENTERPRISES DISCUSSED

Hanoi NHAN DAN in Vietnamese 14 Oct 85 p 2

[Article by Bui Ngoc Lien, Ministry of Water Conservancy, in the 'Economic Forum' column: "Problems in Realizing the Irrigation Enterprise's Right of Financial Independence"]

[Text] Irrigation enterprises are responsible for managing and operating water conservancy projects, the prime material and technical base of agriculture.

Satisfactorily organizing operation of the network of projects in strict accordance with technical regulations and managing, restoring, repairing, and protecting key projects (dams, pumping stations, sluices) to the network of irrigation and drainage ditches along with handling sites will ensure an active, uninterrupted, and regular supply of water, develop to the highest extent the capability of the projects to support additional area, additional crops, and intensive cultivation to boost crop yields, and heighten the economic effectiveness of the projects.

For a long time the irrigation enterprises' financial efforts have routinely followed the practice of pledging assets to compensate for liabilities, with the shortage being made up by state banks. Many enterprises have therefore strived to manage irrigation and drainage by collecting water conservancy fees, conserving electricity, and reducing a portion of the budget that must be paid in compensation. However, this management method is still overly administrative and subsidized in nature and, therefore, still fails to deal with the minimum requirement for capital to restore and repair projects, machinery and equipment, dredge ditches and respond promptly when combatting natural disasters, overcoming damages caused by storms, floods and waterlogging, and paying for electricity when there are heavy downpours. Banks do not loan capital for operations, so enterprises cannot be active in terms of production. Ditches are seldom dredged and sluices are seldom repaired regularly or undergo major repair, so malfunction extensively. Because of this, many projects develop only 60 to 70 percent of design capability, some even reaching a very low 20 to 30 percent.

Carrying out the Party Central Committee's Resolution 8 concerning the enterprises' right of financial independence, for irrigation enterprises having many problems and needing to resolve them soon, conditions are now created to maintain and improve projects, and to respond to the high requirements of agricultural production.

First of all, we should solve the problem of capital for enterprises. For years when weather is normal, the state had granted collection of water conservancy fees in paddy pursuant to Decree 112 HDBT dated 25 August 1984, yet this was still not enough for expenditures. Now, with the requirement to fully calculate expenditures for management in accordance with the spirit of Resolution 8, it is necessary to calculate the level of water conservancy fee revenue to cover expenditures. In areas where natural conditions are unfavorable and expenditures for irrigation management are fairly large, if for reasons of inducing farmers to develop production it is impossible to collect water conservancy fees at a high level, the financial system must fully provide the deficit to the enterprise; at the same time, it also is necessary to solve the problem of borrowed capital and to clearly stipulate the financial principles of enterprises in accordance with the direction toward conducting economic accountability and expanding the production initiative of production installations.

Fixed water conservancy assets managed by irrigation enterprises are very large, including the portion in which the state invests and people are involved in building. We should proceed with determining the value of fixed assets and soon stipulate the procedures and rate of depreciation for them. This has not received attention for a long time because of heavy subsidies. Some places depreciate but only very slightly, others not at all. Also because of heavy subsidies, many other projects such as the power network, bridges, etc., still bear the burden of irrigation expenses.

To prepare for production prior to entering the production season, enterprises need considerable capital and materials to restore projects, machinery and equipment and to dredge ditches. In the meantime, production needs a great deal of expenditures to operate projects, pay for electricity, fuel, and wages, combat natural disasters when the weather is unusual, and so on. But only when each crop is harvested are water conservancy fees collected. It is therefore necessary to solve the problem of liquid capital and let enterprises borrow capital to ensure operations (banks do not let irrigation enterprises borrow capital). Presently, irrigation enterprises are constantly inactive and lack capital for production, many times having their hands tied and production in dire straits; inoperative projects also must accept their fate, which leads to peril, small, unrepairs malfunctions becoming large ones and the capability of the projects not being exploited to the highest extent possible.

According to present financial principles, irrigation enterprises have only two funds, awards and welfare, and no fund for development of production. The enterprise's funds for awards and welfare also are not clearly stipulated. Generally speaking, they are handled with the good intentions of the financial sector and usually at a very low percentage rate figured on the basis of the wage fund. Consequently, in years of unusual weather enterprise cadres and workers work hard, spend a great deal, and collect little, so seldom receive awards, some places considering the enterprise to be a loss. Enterprises must make adjustments, gradually improve the network of projects, procure equipment and machinery, etc., but do not have funds for development of production.

Irrigation enterprises could formulate the cost of a unit of irrigation and drainage area (obviously having to refine and improve it gradually). Thus, financial principles should stipulate the set profit for the cost of the product to ensure a source of capital so enterprises realize the right of financial independence and, at the same time, are properly encouraged to give attention to stepping up production and improving project effectiveness thereby fulfilling the obligation to the state while improving the life of the laborer. Carrying out the above is in no way contrary to the state's overall stipulations, but why has it still not been stipulated in current financial principles?

Concerning plan norms, enterprises are assigned plans annually: the irrigation and drainage area, the amount of revenue from water conservancy fees, depreciation of fixed assets, etc., but there is no bases for connecting the plan to economic accountability. Material, electricity, fuel, etc., the state ensures, so no plan norms whatsoever are recorded. Implementation of the irrigation plan undergoes many changes, especially when weather is adverse, and expenditures will not match initial estimates: when extensive flooding or drought occurs, expenditures for electricity, fuel, material, repair parts, differentials for workers operating during the emergency, etc., increase substantially compared with initial estimates. This increase is not at enterprises operating poorly, but in fact is due to objective factors. Enterprises do make reports to related sectors, but solutions are usually very slow and difficult.

The financial independence of irrigation enterprises encompasses a series of specific problems which are problems impeding irrigation management and which should be quickly resolved in order to abolish subsidies, switch to economic accountability, and meet the demands of production.

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AGRICULTURE

SERVICE AGENCIES PROVIDE CROP PROTECTION, INSURANCE

Hanoi NHAN DAN in Vietnamese 4 Nov 85 p 2

['Economic Forum' column by Vu Mien, Deputy Director of the Institute of Agricultural Economy: "Crop Protection Service Activities Closely Connected with Production Results of Agricultural Cooperatives"]

[Text] Agricultural technical service is an activity of the state-operated technical service system (consisting of corporations, stations, farms and centers performing a scientific and technical experimental research function as well as production support) aimed at using agricultural materials to achieve one or many technical methods in support of the production process to increase crop or stock output, or to protect products from the losses caused by insects and disease.

During the past few years and especially since the Eighth Resolution of the Party Central Committee, agricultural technical service organizations in the state-operated service system have made changes in their mechanism and operational formula with the purpose of closely connecting service activities with agricultural production results, eliminating the bureaucratic and subsidized system and achieving socialist economic accounting and business practices.

In these changes, crop protection service activities have experienced a number of production seasons of applying a new operational formula to connect the results of service activities and the interests of the personnel engaged in service activities with production results and to achieve the system of socialist economic accounting and business practices.

Contracts of responsibility have been signed between service agencies and agricultural cooperatives, joining the cooperatives in joint responsibility for the final product of the production process, or joint responsibility for each step of the production process.

Crop insurance for the entire production process from the time the crop is introduced to production until the product is harvested is a form applauded by the agricultural cooperatives and their members.

Within the contracts, the level of protection against damage by insects and disease and the lowest limit of unavoidable loss as defined by both parties are stipulated.

If the loss level is exceeded, the service agency must compensate the cooperative in products or value stipulated by both parties.

Concerning labor: service agencies send technical cadres down to supervise the control and eradication of insects and disease. Technical personnel are specifically assigned to basic level production units to implement crop technical methods precisely in accordance with the guidance of service cadres. Contract cooperative members are responsible for the prompt discovery and reporting of insect and disease occurrences to the cooperative's technical unit.

This method of labor utilization has an effect of closely connecting the activity of the technical cadres with the production of the cooperative, and of using the labor forces of the cooperative member masses in mutual technical work.

Concerning material and means: motor-driven or manually operated insecticide sprayers are mobilized from sources of the cooperative and when necessary from service organizations throughout the district in order to stamp out major insect infestations.

The management of insecticides delivered to the cooperative beforehand in accordance with the distribution plan is the responsibility of the cooperative but the use of these insecticides is carried out under the guidance of service agencies. This both conserves insecticide and raises the effectiveness of its use and avoids losses due to a lack of control of insecticide effects.

Depending on the production results and the effectiveness of plant protection, the service agency collects a product or fixed value fund item. The basis for calculating these fund items is:

--To compensate for the depreciation of fixed assets and low cost breakable items expended during the production process.

--Enough to pay for the insecticide used, or distributed in accordance with the plan to agricultural cooperatives.

--To remunerate service agency cadres and personnel operating at the cooperative and the corporation professional personnel.

The salary level of cadres and the payment level of cooperative members is the basis for defining the amount of this remuneration.

The higher the production results and the effectiveness of crop protection, the greater the level of remuneration; conversely, the remuneration will be reduced in accordance with the percentage of production losses; and production results depend on the application and achievement of new technical methods in production. Consequently, this method of remuneration has closely connected the activities of the service cadres with production results, stimulating the rapid introduction of technical advances to production.

A portion of these fund items is reserved as an insurance fund for the service agency to use for compensation when necessary and another portion for expanding

service operations (considered as the accumulation fund of the service organization for achieving expanded reproduction).

During the process of implementing economic contracts between service agencies and agricultural production cooperatives, it is necessary to calculate labor and material expenditures in the production process; and to follow fund items and distribution, etc. Consequently, economic accounting becomes an indispensable factor.

The newly applied formula demands a change in the organization aspect. Based on production requirements, new organization must have sufficient conditions to achieve the new formula: of eliminating bureaucratic centralism and subsidization and achieving socialist economic accounting and business practices. The objective must be increasingly better support to the requirements of agricultural production. In a number of districts, crop insurance technical corporations have been established; on the basis of plant protection stations, they have strengthened the number of experienced professional cadres and sent service cadres all the way down to the cooperatives to join the plant protection units and teams in forming a plant protection service organization system from the district to the primary level, closely connecting service activities with agricultural production results.

The changes in the operational formula of crop protection service above are in the right direction. It is necessary to summarize the experience gained and to widely disseminate it for achievement by districts throughout the nation.

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AGRICULTURE

PRODUCTION ASSOCIATIONS AID SOUTHERN PROVINCES

Hanoi NHAN DAN in Vietnamese 4 Nov 85 p 1

[Unattributed article: "562 Production Associations Expand Association, Joint Enterprise"]

[Text] Continuing to raise the quality and gradually achieve the bottom to top progress of agricultural production association, the provinces of Nam Bo during the past 2 years have established 562 agricultural associations with 269 established in the two provinces of An Giang and Dong Thap alone. The associations conduct joint enterprise and association in production and business, gradually returning economic effectiveness and discontinuing the practice of monoculture.

Thanks to coordinated construction of the agricultural irrigation system, land reform, introduction of new rice varieties to sowing and transplanting and the proper achievement of technical regulations, rice yields have clearly risen. Many associations have assisted each other in the construction of drying yards and granaries and the procurement of additional machinery to create mutual steps of uniform development. A number have also expanded joint enterprise and association with economic, industrial, commercial and scientific and technical units in order to mobilize sources of capital and achieve economic diversification within the association. Thirty eight collectives of six associations in Xuan Loc District of Dong Nai Province have jointly purchased 10 rice milling machines, not only ensuring internal milling but also providing support on a district-wide level. Production Association 1 Hoa Binh and the associations in Vinh Chanh of An Giang Province, and Tan My, Binh Thanh, Tan Quoi and Phu Thuan of Dong Thap Province have closely connected agricultural transformation with industrial transformation, and production with processing.

In locations with necessary conditions, production associations have established association with marketing and credit cooperatives to form an agricultural-industrial-commercial-credit economic model.

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AGRICULTURE

BETTER MATERIAL CONDITION PREPARATION FOR INTENSIVE CULTIVATION

Hanoi NHAN DAN in Vietnamese 4 Nov 85 pp 1, 4

[Editorial: "Creating Conditions for Intensive Cultivation of Grain Crops"]

[Text] Intensive cultivation is the basic course of agricultural production and the most important method for increasing the output of grain, including rice, vegetable and subsidiary food crops. During the past few years, the course of intensive cultivation has come to be more thoroughly understood, first of all regarding the rice crop. The intensive cultivation factor has assisted in increasing grain output by more than 70 percent during the past 5 years, creating new capabilities for increasing grain output under conditions of confined and heavily populated land. With the results achieved, conclusions are possible about the capabilities of intensive cultivation to increase yields in areas with inherent grain difficulties such as the midlands and highlands in the north and Central Highlands, creating conditions for on-the-spot solution of the grain problem in order to develop local positions of strength, to develop industrial crops, protect forests and to develop afforestation to cover vacant land and bare hills and mountains with green.

Crops are dependent to an important degree on the weather conditions but man, through his grasp of the laws of nature and preparations of material conditions for protecting production and achieving constant intensive cultivation, is a decisive factor. In reality, locations achieving high or low yields under the same conditions of land, climate and weather, and locations suffering great or little damage under the same circumstances of natural disaster have proven the great role of preparing conditions for protecting and developing production. Those locations achieving high and relatively stable rice and subsidiary food crop yields are usually relatively fully prepared in the management as well as the technological aspect, and in the production guidance aspect as well as the technical labor enthusiasm of a majority of the cooperative and production collective members.

Material conditions of production usually consist of the material and technical base factors of production and the technical advances applied depending on the type of crop in each production season and production area. Material and technical bases of production consist of water conservancy projects, projects for propagation and storage, tools and draft power for working and fertilizing the land, tools for crop protection and care, etc. Technical advances consist of suitable high-yield varieties, technology for irrigation, fertilization, crop protection, etc. Technical advances require secure material and technical

bases. Material and technical bases must be consistent with the production course of each region and each crop variety, support the introduction of technical advances to main-crop production, and be applicable to the management course of each type of production unit. To achieve the objectives of intensive cultivation without secure material conditions will cause those objectives to become groundless without a secure and realistic base. In preparing for a production season, besides defining the course and objective, a mission of foremost importance is to actively prepare material conditions for fully achieving that objective.

Grain production during the winter-spring season consists of both rice and subsidiary food crops and in the subsidiary food crop structure itself, each area raises a different major crop. The preparation of material conditions for intensive cultivation must be consistent with those specific objectives in each locality and production unit. Under conditions in which the material and technical base is still poor, priority must be given to the most important crops, first of all rice and then corn, potatoes, manioc, etc.

Water conservancy is always a most important technical method, first of all in relation to wet rice crop production during the dry season. Water conservancy work during the winter-spring season is important every year and in the coming winter-spring season in particular, special concern must be given to the flood affected areas of Binh Tri Thien Province and the provinces of the Red River Delta and former Region 4. In these locations, much work needs to be done but jobs must be arranged and priority given to material and labor for the repair of water conservancy projects damaged by the flooding. Slow accomplishment of this task will adversely affect subsequent production and further increase the difficulties for production and life.

Propagation work is an important factor in the intensive cultivation of all crop varieties. The selection of already available good varieties alone is capable of increasing rice yields by more than 10 percent. A number of new corn varieties bringing clear high yield increases to many areas must be expanded. In the propagation work for this winter-spring season, concern must be given to assisting those locations with crop losses last year or to providing varieties for shifting from a 10th-month to a 5th-month--spring crop in the areas affected by flooding. New varieties with immanent potential capabilities can only be strongly developed when suitable conditions exist such as water, fertilizer, care and a favorable environment during each growth period. Even though propagation is important, it must be closely connected with conditions assuring it the aspects of season, water, plant density, fertilization, insecticides, etc. to create linking technology in the field. Consequently, the preparation of material conditions must be achieved in a synchronized manner.

Full preparation of material conditions is to further ensure the success of the production season. In conjunction with care and preparations to harvest the 10th-month crop, localities must actively prepare conditions for intensive cultivation of the winter-spring crop, allowing the production crop beginning the 1985-1986 plan to return the highest grain output.

AGRICULTURE

ECONOMIC FORUM: STATE FARMS, SUCCESSFUL OR FAILING

Hanoi NHAN DAN in Vietnamese 16 Oct 85 p 2

[Article by Pham Quang Loc, of the Ministry of Agriculture: "Economic Accounting at State Farms"]

[Text] In recent years, state-operated farms have been doing fairly well in matters of production, and some even have begun to make money. However, looking closely at the overall picture and comparing it with the old bureaucratic and overbearing period, opinions differ. Some view the farms' production and business as efficient and profitable, while others think they are inefficient and losing money. Cadres and laborers working at the farms consider their work too strenuous and the farms' bottom line is always in the red, while companies processing farm products and supplying them to consumers make big money. Therefore, among the farms' personnel, sluggishness in production prevades. Viewed from different perspectives, the above comments are all true.

Under the old accounting method which was a product of the bureaucratic structure, only 20 percent of wages was reflected in product cost, 80 percent of the value of the nine rationed commodities was not debited to product cost, and the value of capital depreciation of state fixed properties and of state-supplied material supplies was usually low. All the above made the computation of accurate product cost impossible. Inaccurate product cost, coupled with irrational state purchasing prices that lacked scientific and economic bases, made it very difficult to correctly evaluate the production and business efficiency of the farms. Certain farms made 3 to 4 million dong annually, but if subsidies of the nine commodities granted cadres and workers were added, they actually suffered heavy losses.

However, many farms feel that the state apparatus is still heavily bureaucratic and that the subsidies for the nine commodities are not charged to wages because if they were, product cost would increase and state purchasing prices would be accordingly higher. If that were the case, purchasing prices would be commensurate with product cost and farms could not be in the red. At present, purchasing prices for farm products such as tea, coffee and oranges are 10 to 15 percent of market prices. Therefore, if the subsidies for the nine commodities are added to wages, the farms can assure that they can make a profit. Due to the heavily bureaucratic and

overbearing structure and to other constraints and limitations in purchasing price policies and profit distribution, most farms cannot develop production. Another side-effect lies in the fact that overdependency on the state prevailed and the common thinking was: "If there is a profit, the state takes it; if there is a loss, the state incurs it; all that happens is to get paid at the end of the month, and to make a recapitulation at the end of the year."

Meanwhile, a handful of farm directors who were skilled in production and business and who were willing to escape the grips of bureaucracy and overbearing style, were treated as illegal traders and as violators of state policies and procedures. Moreover, if farm directors were daring enough to brave the dangers and do business in a nonorthodox manner, they would be judged as "exploiters," or as a new class of landlords or rich peasants.

The resolution of the Eighth Plenum (Session V) was a milestone in economic management in our country, including management of state farms. Most farms enthusiastically welcomed the resolution, for certain long-standing petitions and aspirations of the farms were honored by the party and the state.

The resolution has been carried out for only a short time, yet, some farms have already experienced rational changes in business operations and the most salient feature was the awareness of economic efficiency in any undertaking, and the enhancement of the spirit of responsibility of the base unit.

Chi Linh Farm of Hai Hung Province was first in the province to implement the resolution. The farm reorganized production activities and saw to it that more product with higher economic value was produced from its land. Based on this premise, the farm applied specialization and business integration. It introduced the planting of litchi on sloped hills which were inappropriate for tea plants, and of jute and tobacco plants on silt soil along rivers to replace an old variety of corn whose yield was low and precarious.

In the framework of production reorganization, the management mechanism was rearranged from the director down to production groups and teams, and unnecessary intermediary operations were eliminated. The changes indirectly reduced personnel 30 percent, and made the management structure more efficient. The farm engaged in product contracting with workers. The subsidies for the nine commodities and other production expenses were charged to wages, and starting from this principle, distribution according to labor was carried out: higher wage for more and good work, lower wage for less and sloppy work. After implementing the new management structure for hardly 6 to 7 months, the farm saw visible progress, its tea and pig outputs increased, and its workdays and workhours were also increasing quantitatively and qualitatively.

Cadres and workers enthusiastically devoted their efforts in production, and negative occurrences were limited or eradicated. The Yen Son Tea Farm (Vinh Phu), the 2 September Orange Farm (Ha Son Bihn), and the Chien Dan Pineapple Farm (Quang Nam-Danang) were also receiving and implementing the resolution

in a responsive and enthusiastic manner. Their mode of operation was similar to that of Chi Linh Farm, and they were also experiencing favorable changes.

The Ba Sao Farm (Ha Nam Ninh) was a weak production unit. Its mulberry production was always on the loss side, and its tea production was marginal. Before, the farm had 500 to 600 persons who, with 100 ha of tea, tried to make a living and compensate the losses of the mulberry business. After studying the resolution, the farm expanded its production scope, and started planting apricots on sloped hills which were inappropriate for tea and mulberry plants. It stepped up land reclamation operations, planted peanuts on new lands or interspersed that plant between mulberry plants. Where the land was not fit for agriculture, afforestation was done. All the above projects were financed by the farm's self-procured capital or by bank loans which denoted a laudable effort to get rid of the habit of over-dependency on the state. The above projects will certainly pay off, and one can predict that the future of the farm will be better, and both its production scale and quality of its products will be increased manyfold.

The Song Hau Farm, of Hau Giang Province, was another farm which was among the first to adopt a new approach in production and business. It developed the spirit of initiative and self-sufficiency among its personnel, and encouraged everyone to be daring enough in innovative thinking and doing without over-dependency on the state. Several years in a row, the farm eradicated bureaucratic and overbearing structures, and steadily implemented economic accounting and socialist-style business. With less personnel, the farm did more work and produced more, and gradually was able to buy equipment and machines, and constructed additional technical facilities with self-procured capital in millions of dong. The latter allowed the farm to take innovative approaches in production and business. The farm annually remitted to the state tens of million dong, and added other tens of million dong to its self-procured capital. Although its achievements were strangely a matter of objection, even protest, from certain people, the farm, enlightened by the resolution, strengthened its self-confidence and vowed to attain even better results.

Some animal husbandry farms took the initiative or buying eak and emaciated bulls with money mustered from cadres and workers, fattened them in the spring, and resold them to make a profit. Their way of doing business brought tangible results and benefited the state, the collective and the individuals. Some other farms established joint ventures with localities and with the family sector, and were successful in producing goods and commodities for consumer use and for export, such as the Dong Trieu Farm that produced pork for export, the Thach Thanh Farm that produced silk for export, the Huu Lung, Thanh Ha and Phu Man Farms that planted sugarcane and produced molasses, and the Dong Giao and Sao Vang Farms that produced peanuts for export.

The new ventures brought about significant results: more products were made, and the incomes of the farms as well as of individual cadres and workers were steadily increasing. The still modest achievements were but a start, because the resolution is so rich in contents that certain farms were unable to understand it thoroughly, while implementation by some others was not homogenous and total. In the near future, when the party and government generalizes the execution of the resolution on prices, wages and money, there is no doubt whatsoever that farm production will undergo better changes.

AGRICULTURE

DEVELOPMENT OF FISH RAISING IN HO CHI MINH CITY ASSESSED

Hanoi NHAN DAN in Vietnamese 16 Oct 85 p 2

[Article by Tran Quoc Khai: "Development of Fish-Raising in Ho Chi Minh City"]

[Text] For Ho Chi Minh City, which has a population of 3.5 million, procuring enough grain and food for the city people is quite a heavy and important task. To allow a modest intake of animal proteins, the need is 120 to 140 tons of various types of fish a day, or 45,000 to 51,000 tons a year. Even at that level, the daily per capita intake is only 40 gr of fish, half of the minimum needed. If the birth rate is commensurate with the current annual 3 percent population growth, the city needs an additional 2,400 to 2,500 tons of fish every year.

At present, the city's capabilities in self-supplied fish is 18,000 to 20,000 tons a year. The balance is being supplied by outside sources. The issue is, therefore, whether or not Ho Chi Minh City can expand its marine product production and use to the optimum its potentials in raising inland fish to rapidly attain a high output and improve the daily protein intake of its people?

Great Potential That Is not Exploited

In recent years, there were many arguments about the development of inland fish-raising in the city. The discussion stemmed from the shortage of energy and from the limitations in matters of investments and technical equipment for catching and processing sea fish. One dong investment in sea fish catching gives at best a return of 0.1 dong. But investing the same dong into breeding and processing inland fish brings a 0.7 dong profit. The comparison does not mean the elimination of sea fishing, but points out the realistic potential of inland fish breeding. Ho Chi Minh City offers a host of favorable natural geographical conditions to this effect. It possesses an intertwined system of rivers and canals and a forested area along the coastline of over 20,000 ha. Its water surface area capable of accommodating fish-breeding ponds measures nearly 30,000 ha, or 14 percent of the city total area, and 25.4 percent of its agricultural area. Exploiting well only one-third of the above area may bring an output of inland fish of 10,000 tons a year.

Ho Chi Minh City is situated in a tropical zone close to the equator where sun radiation measures 140 calories per sq cm per year. Its abundant provision of heat allows yearround breeding and developing of shrimp and fish. There are 30 varieties of shrimp and fish that can be raised with high economic value, such as nippers shrimp, blue crayfish, bleeker, carp, tilapia, tench, etc. The Dong Nai and Saigon rivers flow through the city, creating an interlaced system of canals and arroyos with an annual water flow of 2.3 billion cubic meters. In addition, there are hundreds of thousand cubic meters of sewage water from the city that can be processed and used in fish breeding. Nevertheless, the city can currently reach an annual output of only 3,500 tons of inland fish with a yield of 0.3 ton per hectare.

Policies and Structures

The city's achievements in terms of fish breeding in the 10 years after the liberation are far from negligible. In 1977, its output was 400 tons: it is now 3,500 tons, an eightfold increase. The achievements are laudable, but compared with the needs and potentials, the figure is too small. There are indeed many advantages, but difficulties also abound, namely, the need to process the polluted 200 [sic] cubic meters of industrial waste water every year, and the sulfate and salt pollution of river water at the start of, respectively, the rainy and the dry seasons. However, those impediments are by no means the sole factors in deciding whether or not the breeding of inland marine products must be developed, but the pivotal factor lies in the domain of policymaking. Nowadays, as the resolution of the Eighth Plenum is pervading the day-to-day facts of life and production, the city has to instate an appropriate policy to develop to the fullest extent the potentialities of inland water fish. Here, there has been a conspicuous absence of policy for fish breeding, although certain peripheral structures have been in existence, such as the Marine Product Breeding Enterprise, the state-operated Hatcheries Enterprise, along with the movements of Uncle Ho fish ponds and other related organizations at various levels. Many things slowed down the issuance of policies pertaining to fish breeding, among them, the failure to give bred fish the proper priority in the city's economy. To solve this shortcoming, the municipal CPV committee issued Resolution No 21, stipulating: "... To formulate a project and rapidly consolidate a food-production structure, striving to satisfy 30 percent of the needs in fish by 1985, and to leave no unexploited water surfaces in the city's outskirts. To vigorously expand breeding and exploitation of marine products." However, execution of the resolution was hampered by many difficulties and problems, and by an overdependency on freshwater fish supplied by various external sources. The poor local fish has not been given adequate attention. Prices were not right. The breeder who sold mature fish made one-fourth the profit made by the breeder who sold fish powder or fry. As a result, there was an oversupply of fry and a shortage of the mature fish which should have been the main objective of fish breeding.

With regard to the breeding structure, it is obvious that there is a need for a unified system. At present, fish breeding in the city is the responsibility of three levels and four different sectors, but in reality, no one is totally responsible to the end. We need to correct in a timely manner

all deficiencies in the implementation of the formula, "the state and the people work together" in fry production. State enterprises in charge of fry production must take the lead in providing technical instructions, and be made responsible for the production of fish for powder, and of pure-breed fry for distribution to households in charge of fry production. We need a more rational distribution of work in order to avoid disorganized production of fry that jeopardizes the quality and efficiency of the production of mature fish. The city must define a breeding policy as soon as possible, and organize a network of fry distribution and fish purchasing, aiming at creating favorable conditions for fish producers. As an example, it needs to organize a system of fry distribution well, rapidly implement the method "staggered catch and fry replenishment," and get rid of the habit of emptying the ponds and catching all fish regardless of size. Achieving the above will be the most important factor in making available a local source of fish supply for the city's market.

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AGRICULTURE

BRIEFS

AFFORESTATION PLAN FULFILLMENT--Hanoi VNA Dec 22--The Vietnam forestry service has so far afforested nearly 123,100 ha, of which 108,934 ha by local units, up by 13 and 15 percent respectively over the yearly quotas. This is the fourth year in a row the service has fulfilled its yearly plan. Besides, 420 million trees have been planted on scattered plots, representing a five-percent increase over the yearly target. Some 891,300 ha of forests or forest land have been placed in the care of state-run forestry units, collectives, [word indistinct] and families. About 7,000 agricultural cooperatives in the northern provinces have made forestry a business line. This year, plans for the development of forestry have been elaborated for 75 districts with forest lands, bringing the number of such districts to 200 among the more than 400 districts in the country. [Excerpt] [Hanoi VNA in English 0726 GMT 22 Dec 85 OW] /12712

CU CHI IRRIGATION PROJECT--Hanoi VNA Dec 23--An irrigation project bringing water from the Dau Tieng reservoir, the biggest in the south, to irrigate cropfields in the district of Cu Chi in a northwestern suburb of Ho Chi Minh City has been inaugurated. The district is well-known at home and abroad for its revolutionary struggle during the war of resistance against U.S. imperialism. The construction of the first phase of the project, one of the key projects of the city, was completed with the building of 11 kilometers of main canals and 250 kilometers of auxiliary canals. In this winter-spring crop season the project provides water for 2,000 hectares of crop land, but it will water 3,000 hectares more in the next crop season. The whole project to be completed in the 1986-87 dry season will irrigate 14,000 hectares of land in the district. [Text] [Hanoi VNA in English 0725 GMT 23 Dec 85 OW] /12712

LIVESTOCK BREEDING INCREASE--Hanoi VNA Dec 18--The number of pigs, buffaloes, and cows this year increases respectively by 0.3 percent, 1.6 percent, and 7.4 percent over 1984. The country now has 11.8 million pigs, 2.29 million buffaloes, 2.6 million cows and oxen, 129,000 horses, 355,000 goats and sheep, and 92 million poultry. Despite shortage of fodder, the pork output this year also rose by 5 percent compared with 1984 and 8 percent compared with 1980. The pigstock in the collective economic sector totalled more than 90,000 head, up by 32 percent over last year. Meanwhile the number of pigs rearing in the individual sector also chalked up a considerable increase, especially in southern provinces: 8.6 percent in Phu Khanh, 7.1 percent in Thuan Hai, 8.9 percent in Tien Giang and 14.1 percent in Hau Giang. [Text] [Hanoi VNA in English 0836 GMT 19 Dec 85 OW] /12712

AFFORESTATION IN SOUTHERN PROVINCES--From 1976 to 1984, 27,000 hectares in the southern provinces of Dong Nai, Song Be, and Tay Ninh were afforested. Of these, 2,500 hectares were under timber forests. These localities have marked off more than 200 hectares of forest land for building nurseries to produce saplings for their own consumption and surrounding provinces. They have also found ways to increase the survival rate of trees and prevent forest fire. [Text] [Hanoi International Service in English 1000 GMT 11 Dec 85 BK] /9738

OIL-BEARING CROPS EXPANSION--Hanoi, 15 Dec (VNA)--More than 41 million coconut trees and 100,000 ha of groundnut were grown throughout the country this year. The purchase of oil-bearing crops mainly planted in southern provinces has trebled in comparison with last year and 25 percent over the quota. As a result, 4,000 tons of coconut oil was turned out a two-fold increase over last year's output. To make vegetable oils a key export line, the union of vegetable oils enterprises under the Ministry of Food Industry has provided funds for farmers in the Mekong river delta provinces and guided them in the technique of cultivation. The union has trained for these provinces more than 600 technical workers specializing in seed selection, sapling nursing, cultivation, and plant protection. The provinces of Dong Nai, Nghia Binh and Phu Khanh have test-planted 70 ha of oil palm trees and will expand them to 300 ha in the coming years. [Text] [Hanoi VNA in English 0719 GMT 15 Dec 85 OW] /9738

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HEALTH, EDUCATION, AND WELFARE

CEREMONY HELD FOR MEDICAL COLLEGE ANNIVERSARY

OW211450 Hanoi VNA in English 1450 GMT 21 Dec 85

[All quotation marks as received]

[Text] Hanoi VNA Dec 21--A ceremony was held here Dec 20 by the Hanoi Medical College to mark its forty years of serving the revolution.

Present at the ceremony were Le Quang Dao, member of the Communist Party of Vietnam Central Committee; Le Van Luong, member of the C.P.V. C.C., and secretary of the Hanoi Party's Committee; Nguyen Dinh Tu, member of the C.P.V. C.C., minister of higher and vocational secondary education; Dang Hoi Xuan, minister of public health; representatives of public offices, hospitals and mass organizations and others.

Representatives of the Lao Embassy was also present. Prof Hoang Dinh Cau, deputy minister, labour hero and director of the college, delivered the commemorative speech.

He said: "During the resistance war years, cadres and students of the college strove hard to produce medicines and medical instruments and applied new treatment methods in service of combatants and people.

"Under the motto 'all for the frontline,' the college paid much attention to training surgeons, organized first aid teams, gave medical checkups and treatment to the people, and mobilized people to engage in the movement for sanitation and disease prevention.

"The college has raised the quality of training. It has also worked out a post-graduate program. Steady progress has been made in scientific researches.

Many projects at state and ministerial levels have been carried out by the college. In the five-year scientific plan (1981-1985), the college conducted eight subjects of state level, 50 of ministerial level and 600 at grassroots level.

"Over the past 40 years, the Hanoi Medical College has obtained noticeable achievements through many generations of cadres and students such as the noted late doctors Ho Dac Di, Dang Van Hgu, Ton That Tung, Dang Vu Hy, and Tran Huu Tuoc. So far, it has trained more than 13,000 doctors of whom 1,800 are holders of post-graduate degrees.

POPULATION, CUSTOMS, AND CULTURE

CULTURAL ACTIVITY STRENGTHENED ALONG NORTHERN BORDER

Hanoi NHAN DAN in Vietnamese 4 Nov 85 pp 1, 4

[Unattributed article: "Building and Strengthening Frontier Cultural Defense Line"]

[Text] Six frontier provinces are actively building a "frontier cultural defense line." All six provinces are striving by many means to strengthen the cultural activities on the front line. Thirty three districts and nearly all the villages next to the border have operating cultural and information bureaus and committees. All of the basic level units have cultural and information activities. In the provinces of Hoang Lien Son, Cao Bang, Quang Ninh and Lang Son, nearly all organizations have basic level information units coordinating information and cultural activities. In conjunction with the resident force, roving information units from the districts and provinces use the frontier area as their primary area of operations and film projection units strive to support the most remote locations, all without charge. Professional art units each year have plan norms for serving the frontier for 15 to 30 days, especially in observance of the lunar new year, National Day, the anniversary of the victory over the invading Chinese army, etc. Provinces throughout the nation provide material and transportation assistance for the exclusive use of the cultural sector in activities in the frontier provinces.

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